

JPY 10130



THE INDEPENDENT

Nº 3,173

FRIDAY 20 DECEMBER 1996

WEATHER: Cold, wet and windy

(IR45p) 40p

THE TABLOID

Best CDs of the year

THE TABLOID

Off the piste, onto the streets

COMMENT

Polly Toynbee: why the BBC should stand up for US PAGE 19

Sorry (but I still think I'm right)



Photomontage: Jonathan Anstey

Jojo Moyes

The Duke of Edinburgh yesterday apologised for any "offence or distress" caused by his suggestion that gun club members were no more dangerous than cricketers.

However, the Duke did not apologise for holding the views that he does, and several public polls appeared to show that there is considerable support for his standpoint.

The controversial comments, which sparked a torrent of protest from MPs and anti-gun campaigners, were contained in a radio interview broadcast last night. In the interview, the Duke said: "There's no evidence that people who use weapons for sport are any more dangerous than people who use golf clubs or tennis rackets or cricket bats."

He added: "If a cricketer, for instance, suddenly decided to go into a school and batter a lot of people to death with a cricket bat, which he could do very easily, I mean are you going to ban cricket bats?"

Prince Philip, who yesterday visited Ely cathedral, told BBC radio interviewer Rob Bonnet he understood the depth of public sympathy for the Dun-

blane parents' call for a total handgun ban, but added: "I'm not sure that the reaction is ... the most rational."

Yesterday morning Buckingham Palace took the unusual step of issuing an apology after anti-gun campaigners claimed they were "sickened" and MPs across Westminster accused the Duke of "blundering" into sensitive political debates.

"His personal views were very much focused in the area of how difficult it is to apply the law sensibly in these difficult situations," said a spokesman. "Prince Philip made absolutely clear in the interview his horror at the Dunblane incident and his sympathy for the bereaved." But it was noticeable, however, that the Duke did not actually retract his views.

His comments about handguns won

Out of touch, Paul Valley, Analysis, page 18

support in a number of public polls. Of almost 10,000 GMTV viewers who phoned the programme's telephone poll hotline yesterday morning, 75 per cent said the Prince was right.

In a later BBC Radio 5 poll, 68 per cent of those who called in agreed with

the Duke's comments that a complete ban on handguns was an "over-reaction" to Dunblane, while 32 per cent disagreed. A total of 2,784 people supported his views, while 1,304 did not. Those figures indicated a shift in public opinion since last October when an NOP poll found 72 per cent supported a ban.

A survey of 150 backbenchers published yesterday by the Harris Research Centre found almost half of all Tory backbenchers were opposed to any change in handgun laws.

That contrasted sharply with Labour MPs - 91 per cent of whom wanted a complete ban, 4 per cent of whom favoured the ban on weapons over 22 and 3 per cent of whom wanted no change in the law at all. Overall, 45 per cent of MPs of all parties wanted a total ban, 24 per cent a ban on over 22s and 26 per cent wanted to leave the law unchanged.

Eileen Harrild, the gym teacher who was the first to be shot by Thomas Hamilton, described the Duke's remarks as "very insensitive, crass and offensive."

"I am glad he has apologised but I would like him to take back what he has said and would like to think he has thought more deeply and come to a different conclusion about handguns. We are not talking about shotguns or rifles but handguns."



"I would like him to retract what he said and come out and say he would be in favour of a handgun ban."

Mrs Harrild still has to undergo further surgery for the wounds she suffered on her arm. "I think some people forget there are people who were injured in the gym struggling to come to terms with their injuries. There are people who have to live with the consequences of that day."

She said if Hamilton had been armed with a cricket bat instead of handguns, the adults in the gym would have had a better chance of deflecting him.

Sir David Steel, the former Liberal leader, said yesterday in Beverley, east Yorkshire: "The Duke of Edinburgh's problem is that he was born with a silver foot in his mouth."

Ministers reject advice to halt BSE from sheep

Anthony Bevins
Political Editor

A Europe-wide ban on the use of spinal cord and spleen from sheep and goats in the human food chain, proposed by scientific advisers, has been rejected by European agriculture ministers.

The extended ban on the waste from sheep and goats was put to ministers by the European Commission under a special high-speed emergency procedure, on advice from World Health Organisation experts and the European Union's Scientific Veterinary Committee.

A report from the all-party Commons European Legislation Committee said yesterday: "The Commission argues that because it may be possible for sheep to be infected by BSE [Bovine Spongiform Encephalopathy], producing a

disease clinically indistinguishable from scrapie, action should be taken to prohibit tissues which are likely to contain the BSE agent to enter any food chain (human or animal)."

The Government admitted in March that a number of Britons had died from a new form of the fatal Creutzfeldt-Jakob Disease (CJD) apparently due to exposure to BSE - almost certainly by eating infected food. So far 15 cases have been recorded.

Although scrapie has existed in sheep for centuries, apparently without causing CJD in people, scientists have been increasingly worried that BSE is a more dangerous form of the disease, and that if it spread to sheep then they could, in turn, infect people.

The brains, spinal cords and spleen are the most infective tissues. The Government intro-



Douglas Hogg: Euro plans go further than UK law

duced measures to remove cattle brains and spines from the food chain in 1989. But this was not introduced for sheep or goats.

Douglas Hogg, the Agricul-

ture Minister, told the Commons committee that the European proposal went beyond current UK legislation, and would require "the removal of spinal cord from sheep and goats over 12 months ... and of spleen from all sheep and goats. It would thus necessitate changes in the way these animals are handled at slaughter and also in trading practices."

The Commons committee then added: "Although the recovery of mechanically-recovered meat from cattle has already been prohibited in the UK, the proposal, if adopted, would prevent plants currently producing mechanically-recovered meat from the vertebral columns of sheep and goats from continuing with this practice."

In the event agriculture ministers decided in Brussels on Tuesday to reject the Commis-

sion proposal. It is not known how the UK cast its vote.

Mr Hogg banned the use of sheep and goat heads in the production of food for human consumption on 15 September, but the vertebral columns of sheep and goats are used in the production of "mechanically-recovered meat". This is blasted off the bones of carcasses, and is widely used in cheap burgers, sausages, pasties, pies and soups.

The defeat in Brussels might have been expected, because only the UK, France, Ireland, Portugal and the Netherlands - five out of the EU's 15 members - impose curbs on the use of "specified risk materials", like the head and spinal cord, from higher-risk cattle.

Mr Hogg told the Commons in a written reply on Wednesday night that the commission plan had been rejected. "The coun-

cil considered, but failed to agree on, a proposal banning the use of specified risk materials in the manufacture of animal feed and food-stuffs," he said.

He did not reveal that ministers had been considering a ban on the use of sheep and goat spinal cord and spleen for human "food-stuffs".

The commission has been asked to make "further proposals in this area" after taking further advice from the EU Scientific Veterinary Committee.

The Ministry of Agriculture's latest progress report on BSE said that the Spongiform Encephalopathy Advisory Committee had urged ministers to consider the possibility of BSE in sheep, and "consider removing the brains from all sheep and goats over six months of age at slaughter." That proposal was enacted in September.

Railtrack rebuked for underspending

Christian Wolmar
Westminster Correspondent

Railtrack has been sharply rebuked by the Rail Regulator, John Swift, for failing to spend £333m it has been given by the Government for investment on Britain's crumbling railways.

Mr Swift said, in a letter to the anti-privatisation group, Save Our Railways, that Railtrack's "current level of underspend is wholly unacceptable to me and I expect prompt action to remedy this". He is demanding that Railtrack sets out its investment programme to "show clearly and unequivocally whether or not Railtrack is delivering [its] investment programme."

Railtrack's underspend in its first two and a half years of existence amounts to 25 per cent of the amount it should have in-

vested to maintain and improve the rail network. Railtrack has consistently failed to spend the amount it is required to do so by the Regulator and earlier this month it revealed that in the first six months of this financial year it only spent £193m compared with the £259m it had promised. Yet, profits jumped from £111m in the six months to 1 October 1995 to £145m in the same period this year.

Save our Railways said the company put profits before investment. "For two years, Railtrack has broken the Regulator's rules on how much money should be spent on rail maintenance. Now Railtrack will have to increase spending radically on the rail network or risk the Regulator taking action," said Jonathan Bray, co-ordinator of the campaign.

According to an industry source, Railtrack's capacity to invest has been inhibited by the fact that it has had three reorganisations since its creation in April 1994 and earlier this week announced yet another one.

The spectre of underinvestment by a privatised Railtrack was raised by opponents of the

sale throughout the privatisation process but ministers said that safeguards were in place.

However, Mr Swift told *The Independent* last night that the role of a regulator "was not only to wield statutory powers but to carry on a regular dialogue with Railtrack". In fact, Mr Swift's powers are circumscribed. Railtrack has a seven-year contract - negotiated with Mr Swift - which determines the level of its income from train operators and that cannot be changed until 2001.

Mr Swift's most serious sanction would be to refer Railtrack to the Monopolies and Mergers Commission but he is only likely to do this if it continued to fail to invest over a long period.

A spokesman for Railtrack said the company had spent £100m more in the first six months of this financial year than in 1995, but he accepted that targets had not been met. "We come from a culture where it has been difficult to spend huge sums of money because of the annual Treasury restrictions. There is also the need for our suppliers to develop to match our spending requirements."

Net wedlock ends in web of intrigue

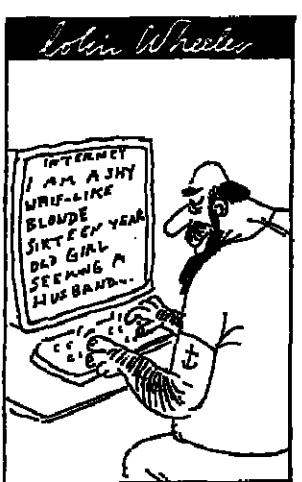
Andrew Brown
Religious Affairs Correspondent

Margaret Anne Hunter had been married for four months to a man she had met over the Internet before she noticed he was a woman.

The crucial clue that alerted the West Virginia woman that all was not as she had supposed with her husband, came when "his" mother rang and asked to speak to "Holly Anne" and not to the Thorne Wesley Jameson Groves she thought she had married.

Now she is suing her spouse for \$575,000 in West Virginia, where the couple were married last year. As well as the fraud she charges him with, she also wants compensation for all the money she spent on food, transportation and telephone calls during the relationship.

According to her lawyer, Seth Guggenheim, Mr Hunter had every reason to be deceived. "Holly had such credible and detailed explanations, excuses, and personal history. There was nothing that gave my client and other people pause," he said. Groves told Ms Hunter



that he was suffering from AIDS, and that the heavy bandages, which covered his chest at all times when he undressed, were to heal wounds he had sustained in a car crash, rather than to conceal his breasts. She believed him.

The couple met electronically in the autumn of 1995. It is common for men to pretend to be women on the Internet for reasons ranging from curiosity to obscure sexual gratifica-

tion; and fairly common for women to pretend to be men, at least in some areas of the Net, in order to avoid ceaseless propositioning. However, this is the first recorded case in which such pretence has been carried through to the point of marriage.

By December last year, they had spent two nights together in a hotel room. It is not clear what transpired, but afterwards Ms Groves proposed marriage, and Ms Hunter, her suit claims, agreed "out of compassion and love".

They were married last winter in a hotel in front of 60 relatives of bride. No one from the purported groom's family attended the wedding; and though Ms Groves claimed to have AIDS, "he" never saw any doctors for the condition. Contacted by a news agency, Ms Groves' mother, who had unwittingly exposed her daughter's identity, refused to comment.

Ms Hunter blamed the whole thing on the Internet, which she no longer uses. "Computer users need to be increasingly careful with whom they speak," she said.

QUICKLY	CONTENTS
Siege goes on President Alberto Fujimori was desperately trying to find a solution to the siege in the Japanese ambassador's residence in Lima as 490 hostages entered their third night of capture by left-wing guerrillas. Page 10	<i>The Broadsheet</i> Business & City ... 20-22 Comment ... 17-19 Foreign News ... 10-14 Gazette ... 15 Home News ... 2-9 Law Report ... 16 Leading Articles ... 17 Letters ... 17 Obituaries ... 16 Shares ... 23 Sport ... 25-28
Clarke's euro win The Chancellor, Kenneth Clarke, defeated the Home Secretary, Michael Howard, in a last attempt to change the Government's wait and see policy on the single European currency. Page 2	<i>The Tabloid</i> Arts Reviews ... 19 Classical ... 16-18 Crossword ... 22 John Lyttle ... 3 Listings ... 20, 21 Pop/rock ... 10-15 Radio & TV ... 23, 24 Weather ... 22
Bomb lorry sought Police were scouring London for a lorry feared to have brought bomb-making equipment to the city. Police urged people to be on their guard against Christmas bombing. Page 2	

computing printing copying imaging

Santa's fax no.

00 358
163481418

Why not ask for a Canon
BubbleJet Fax Machine
If anyone can Canon can. this Christmas?
For further information
freephone 0500 246 246.

Canon



9 770951 946450

news

Bad blood fails to deter royal passion

Jojo Moyes

The Duke of Edinburgh has always found it easy to reconcile his love of blood sports with his position as president of the conservation charity, the World Wildlife Fund for Nature.

As, apparently, has the charity itself. "Anything that he does in his private capacity is beyond the sphere of our relationship with him," said a spokesman, Javier Arreaza, from the headquarters in Switzerland yesterday.

Anything? "His relationship

Prince reconciles longstanding enthusiasm with role for nature charity

with us has been very good for conservation. We cannot really begin to hypothesise."

Not that much hypothesis is necessary. Shooting is a long-established favourite pastime of the Royal Family and Prince Philip's "bag" over the past 30 years stretches over continents, species and runs into mind-boggling numbers.

Figures compiled from press reports by the anti-bloodsports lobby suggest that in Britain alone he has shot stag, roe, rabbit, hares, wild ducks, snipe, woodcock, teal, pigeons and partridges and pheasant numbering at least 30,000.

Prince Philip especially enjoys shooting wild boar on the estates of friends in Germany. On one occasion he and Prince Charles are said to have killed 50 wild boar in a single day.

He frequently invites sporting friends to the Royal Family's 20,000-acre Norfolk estate at Sandringham. In 1993, on shooting for up to four days a

week during his seven-week stay, he hit his target of 10,000 pheasants. His shooting parties are estimated to have killed about 150,000 pheasants over the last two decades.

The Prince rarely listens to criticisms of his passion for shooting. In 1961, despite protests from British and Indian politicians, Philip went ahead with an Indian tiger shoot. On that trip he also killed a crocodile and six urials - a type of mountain sheep.

Although he has bowed to pressure and given up big-game hunting, Prince Philip continues to defend his love of blood sports and has frequently claimed that he is killing and not killing the animals.

But while the Royal Family is prepared to consider change in many areas, its enthusiasm for blood sports remains as much a part of royal life as corgis, speeches and divorce.

The Queen often accompanies the Duke on pheasant

shoots. Charles and his sister, the Princess Royal, have organised competitions in which they lead rival shooting parties.

And it seems the Royal passion will not dim with a new generation. Prince William is said to prefer shooting to any other sport, while Prince Andrew took Beatrice on a shoot when she was six.

In October the Duke provoked an outcry by declaring shooting "an intelligent leisure activity" for children. He was backing a new book teaching novices about gun handling.

Howard forced to toe line on euro

Colin Brown
Chief Political Correspondent

The Chancellor, Kenneth Clarke, yesterday defeated Michael Howard, the Home Secretary, in a last-ditch attempt to change the Government's "wait-and-see" policy over the single European currency before the election.

The Cabinet decided to stick to its existing policy on the single currency at a meeting chaired by John Major to review the Tories' strategy for the election, now expected to be on 20 March or 10 April.

The decision means it is highly unlikely that any change in the policy will be made before the election, in spite of plans by more than 100 Tory MPs to fight on personal manifestos, rejecting a single currency.

The setback for Mr Howard was seen by Euro-sceptic Tory MPs as a final defeat for their campaign to force the Chancellor to rule out entry into the single currency for the lifetime of the next Parliament.

Mr Clarke agreed to return in the New Year with a further report setting out the basis on which the Government will judge the convergence criteria for the single currency. That could enable Mr Howard and other Euro-sceptic ministers to rally in the New Year, but the prospects for a policy change were discounted at Westminster.

"As far as the Cabinet is concerned, it's all over now," said one leading Euro-sceptic. Mr Howard failed to gain support around the Cabinet from other Euro-sceptics. "Michael Por-

tillo does not say much these days," said one former minister.

John Redwood, the champion of the Tory right, yesterday said the single currency preparations were causing unemployment across Europe and the criteria were being fudged. He called on the Cabinet to show unity: "It is most important that the Cabinet speaks with one voice, and that there are no stories of splits or rows."

A senior Conservative source said: "They had a discussion about the election strategy and then remained in political session to discuss the Chancellor's paper and EMU. The Cabinet confirmed the present negotiate-and-decide strategy."

"It was agreed that the Chancellor of the Exchequer would bring forward a paper exploring the basis on which the Government would judge those criteria at the right time."

The meeting followed reports that Mr Howard had defeated the Chancellor when he won Cabinet backing for him to present a paper to the Cabinet on the single currency criteria.

Hopes were raised among the Euro-sceptics that the his critics would ambush Mr Clarke, who had made clear he would be against entry into the single currency if the convergence conditions were "fudged". Euro-sceptic Tory MPs said the French government's use of public sector pensions to lower its debts was evidence of the criteria being fudged. The Treasury said it would be after the election, in late 1997, before it could make any judgment.

Hamish McRae, page 19

Police question fiancée of road rage victim



Murder squad detectives were last night still questioning the girlfriend of the alleged 'road rage' victim Lee Harvey.

Redditch police arrested Tracie Andrews, 27, pictured, two weeks ago in connection with the death of her fiancé but had been unable to interview her in connection with the killing as she was immediately admitted to hospital.

Photograph: PA

E. coli claims two new deaths

Steve Boggan

The Scottish *E. coli* outbreak claimed two more victims yesterday, taking the total number of deaths to 15.

It brings to eight the number of pensioners who have died after being infected with the bug at a church lunch in Wishaw, Lanarkshire, a month ago. The outbreak is now the world's second worst, coming after an epidemic in Canada in 1985 which killed 19 people.

Health officials insisted the outbreak was diminishing, in spite of announcing that tests had led to the confirmation of another 15 cases of infection. The total number of suspected cases across central Scotland now stands at 404, of which 250 have been confirmed.

The figure of 404 was unchanged from the day before, according to health board officials. "The increase of 15 cases does not mean there is a fresh outbreak," one official said. "It simply means test results have come through from the Reference Laboratory in Aberdeen."

The two latest victims died on Wednesday night at Monklands District General Hospital. One was named as Sarah Cameron, 78, from Wishaw, whose family confirmed that she had been among a group of pensioners who attended a lunch at Wishaw Old Parish Church on 17 November, where allegedly contaminated pies made by John M Barr & Son were served. The second of the two latest victims, a 78-year-old man, was not named.

Shortly after the deaths were announced, Alex Salmond, leader of the Scottish National Party, criticised the level of funding for research into *E. coli* in Scotland. "The total Scottish Office funding in *E. coli* 0157 over a six-year period has been £500,000," he said. "That is half of one week's share of the National Lottery jackpot."

significant shorts

Lobbyist's companies to be wound up

Companies run by Ian Greer, the lobbyist at the centre of the Neil Hamilton cash-for-questions affair are being wound up.

Ian Greer Associates was one of the largest lobbying groups and Mr Greer boasted of being the best-connected lobbyist in the Tory party. Its clients have included British Airways, British Gas, Carlton TV, Peter Carter Ruck and partners, Pall Mall, Thames Water and Philip Morris.

However, when the libel case brought by Mr Greer against the *Guardian* collapsed in October because Mr Greer and Mr Hamilton withdrew, many of his clients left. A creditors' meeting will be held on 7 January.

Christian Wolmar

Al-Fayed will give money to pro-life party

Mohammed al-Fayed has promised to contribute money to a new anti-abortion party which plans to field 50 candidates in the general election.

The Egyptian-born owner of Harrods, who has four children, is a strong believer in family values and has given money to at least one Christian organisation.

The new Pro-Life Alliance Party, founded by Bruno Quintavalle, 25, wants to raise enough money and find enough candidates to earn a party political broadcast on television. It will put candidates up against high-profile figures who are pro-choice, such as Virginia Bottomley, Sir Nicholas Lyell or Marjorie Mowlam, if they have no pro-life opponent standing in their seats.

A spokesman for Mr Fayed said he did not know how much money he would give, but that he "would not argue" with suggestions that it was a five-figure sum. *Fran Abrams*

Satellite will watch trawlers

Trawlers are to be electronically tagged to curb illegal catches and halt the chronic depletion of fish stocks, EU ministers agreed last night.

From June 1998 spy-in-the-sky satellite monitoring will be compulsory for boats over 24 metres fishing on the high seas and industrial trawlers. The tracking devices are deeply unpopular with fishermen but Britain backed the plan in the interests of conservation. Spain, whose fleet is most often accused of illegal fishing, opposed it but was out-voted. Officials sought big quota cuts to protect stocks. *Katherine Butler*

Lottery £11m goes pop

Britain's first pop music centre has been given £11m of Arts Council lottery, the fourth largest award for a project outside London. It will be built in Sheffield and open by 1998.

A model of the futuristic building was unveiled by Russell Senior and Nick Banks of Phil in a Sheffield nightclub. At least 400,000 visitors a year are expected. *Ester Leach*

Minister joins the exodus

The trade minister Anthony Nelson joined other bright middle-rank ministers, including Stephen Norris, Richard Needham, and Tim Eggar, who have decided to stand down from Parliament at the next election.

A former merchant banker, he has been MP for the safe seat of Chichester since 1974, and his departure will start another selection stampede by those MPs who have been displaced by constituency boundary changes. Mr Nelson, 48, said that "for family and personal reasons, I have decided to turn my energies to something new". His wife, Caroline, a cordon bleu cook, is reported to have multiple sclerosis. *Anthony Bevis*

Health chiefs defy charter

A health authority is threatening to break the Patient's Charter by delaying operations for more than 18 months to make ends meet, a leaked memorandum shows.

The internal memorandum from Hammersmith Hospitals Trust says Merton, Sutton and Wandsworth health authority "do not want any of their non-clinically urgent patients to be admitted until further notice, even where this results in patients waiting in excess of 18 months".

Chris Smith, shadow health secretary, said: "Patients all over London and the Home Counties are now going to have to wait until next spring for treatment because of the madness of the internal market the Tories have imposed." *Colin Brown*

Major has the last laugh

John Major is one of six candidates nominated for the BBC Radio 4 *Today* programme's News Personality of the Year, from which Tony Blair was excluded over claims of attempts to rig the poll. The winner will be announced on Boxing Day.

Tax-case man is cleared

A businessman was cleared of corruptly providing a holiday for the Inland Revenue inspector Michael Alcock in return for tax favours.

A judge at the Old Bailey ordered a jury to acquit David Shamoon, 66, of West Kensington, London.

The judge also ruled that two charges of corruption against Alcock, 47, of Colchester, Essex, were to be dropped but he still faces 11 other charges.

Care worker abused son

A former care assistant at a children's home in Northern Ireland was jailed for nine years for sexually abusing his eight-year-old son.

Originally, he had denied committing 15 acts of buggery, but after the boy gave evidence and was cross-examined via a video link-up with Londonderry Crown Court, the man changed his plea to guilty. The offence occurred at the man's flat in the Creggan area of Derry.

Ouija killer sent to Broadmoor

A Devil worshiper who stabbed a 15-year-old boy to death after a Ouija board spelled out the word "kill" was ordered to be detained indefinitely in Broadmoor.

Michael McCallum, 20, turned his bedroom in Walworth, south east London, into a shrine to the Devil where he lured Michael Earridge and his friend Stephen Curran, also 15, the Old Bailey heard.

It ended with McCallum slitting Earridge and plunging a foot-long combat knife 11 times into his chest and neck, while his horrified friend looked on.

Pension fund inquiry refused

The Government rejected a Labour demand for an independent inquiry into the "scandal" of the British Rail pension fund, from which a £500m surplus is being given to the new private companies. Viscount Goschen insisted in the Lords that there was "no scandal whatsoever" and there were "categorical protections" for pensioners.

I don't want perfume!

I want a Minicall.

PAGEONE MINICALL

THE MINICALL PAGER - A GREAT WAY TO SAY MERRY CHRISTMAS

- NO monthly bills ever
- FREE connection
- NO contracts
- National coverage

ONLY £59.99

AVAILABLE FROM ARDOS CURRYS DIXONS, JOHN LEWIS PARTNERSHIP, TALAND TANNY, THE LHM, PEOPLES PHONE SHOWROOMS AND AUTHORISED DEALERS

FreeCall 0500 505 505 anytime.

Call made to numeric pages are charged to the caller by the second at 40p per minute. Purchases mobile phones, pagers and other accessories at the prevailing rates and may be subject to network availability.

PAGEONE COMMUNICATIONS

IRA lorry alert raises fears of London bombing

Patricia Wynn Davies

Police were scouring London yesterday for a lorry feared to have transported bomb-making equipment to the capital after Scotland Yard disclosed that IRA terrorists have been using a vehicle yard in the city.

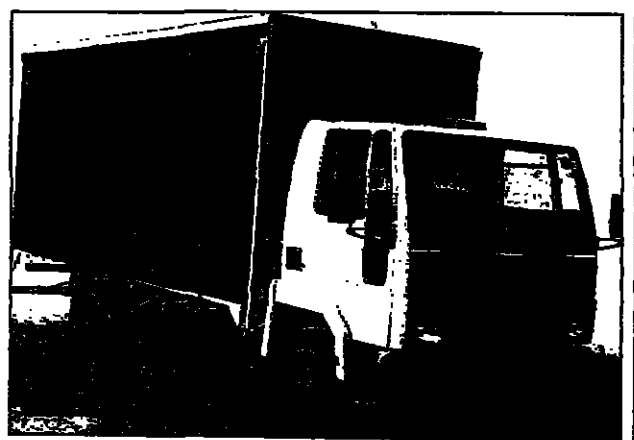
Commander John Grieve, head of the anti-terrorist branch, issued an appeal for information about the 7.5 tonne Ford Iveco lorry, which the IRA might have used to bring bomb components to the mainland.

The appeal follows a search on Monday this week of a north-west London lorry yard, which Commander Grieve said had been "clearly used by the Provisional IRA".

The vehicle, white with blue curtain sides, probably had a 1986 or 1987 registration plate (C, D or E), has red bars under the platform and a red bumper, and bears the remnants of faded sign writing on the cab doors.

Both Commander Grieve and the Metropolitan Police Commissioner, Sir Paul Condon, urged people in London to be on their guard against a possible Christmas and New Year bombing campaign by the IRA.

Sir Paul said his force remained on a high state of alert for a full range of possible IRA strikes, including bombings and incendiary attacks on stores during Christmas and the January sales.



Target vehicle: An electronic image of the Iveco lorry which police believe is being used by the IRA

Commander Grieve said the Ford lorry had been in the north London area earlier this year. Scotland Yard issued a computer-generated image of the vehicle.

"We believe the lorry was used at some stage to transport bomb-making equipment, possibly innocently," Commander Grieve said. "On the other hand, it may be part of the terrorists' transport."

The search of the lorry yard had been after information from the public and with the co-operation of its owners. Commander Grieve appealed for information from anyone who thought they had seen the lorry since February but said he was particularly interested in its movements in June and July.

He said the lorry might have been hired or lent out by an unsuspecting owner. No explosives or firearms had been found at the lorry yard, and there were no arrests.

"We are appealing to members of the public to help us trace this lorry. It is communities that defeat terrorism and this is a task everyone can help us with," Commander Grieve said.

He appealed to anyone who had seen the lorry, owned it, had bought or hired it recently or seen it parked to ring the free and confidential Anti-Terrorist Branch hotline on 0800 789321. "It is by making London as hostile and environment as possible that we have the best chance of success," Sir Paul said.

2012年12月20日

Frankincense, myrrh and compromise; the path to a happy Christmas for schools



When the pupils are of many faiths, celebrating religious festivals means keeping a careful balance

Lucy Ward
Education correspondent

In primary school halls up and down the country, Mary and Joseph will find shelter at the inn. In one Bradford school, as in many others in Britain's multi-ethnic cities, the stars of this year's nativity play will be Muslim.

Lilicraft First School, where all but two of the 400 pupils are Muslim, is typical in adapting the celebrations of the Christmas calendar to suit its young population. "Away in a Manger" and other carols will be sung, complete with references to the birth of Jesus, but references to the Christ child as the Son of God will be omitted to avoid conflict with Islamic beliefs.

Similar compromises have been worked out by many schools with a mix of faiths to prevent the kind of incident which marred a Birmingham secondary school's rehearsal.

Washwood Heath Secondary, which is 60 per cent Asian, yesterday launched an internal investigation after Israr Khan, a maths teacher, leapt from his seat and shouted to pupils watching the rehearsal "Who is



Nativity scene: Mary, Joseph and Jesus will be portrayed in many mixed-faith schools. Top left, Israr Khan, who disrupted a school rehearsal. Main photograph: Barry Lewis/Network

your God?", prompting some to reply "Allah" and boo the mainly white choir.

Birmingham education authority said that Mr Khan stayed at home yesterday "by mutual consent", but the carol concert on Wednesday went ahead as planned. The city council yesterday insisted that the incident should not be allowed to detract from Christmas celebrations in Birmingham's 500 schools where "pupils of all faiths are celebrating the most important date in the Christian calendar".

But the teacher's outburst rekindled the debate over schools' attempts to mark religious festivals, with traditionalists of both Islamic and Christian faiths claiming that pupils should not be forced to take part in celebrations of beliefs they did not share.

Professor Robert Jackson, director of the religious and education research unit at Warwick University, believes such incidents are likely to be rare as schools grow increasingly sensitive to the best means of bal-

ancing a respect for the faiths of pupils and parents with a desire to promote understanding of other cultures.

"Many would treat these issues very, very carefully indeed. That is not to say they would decide not to touch them at all, but it would be a process of conversation with the parent-teacher association, parent governors and others in order to win the confidence of people."

Schools decide their own policy on celebrating religious festivals, with certain guide-

lines and requirements covering religious education and collective worship. Much depends on the contribution of the local authority in offering advice, and the enthusiasm of individual heads and teachers.

Religious education specialist Professor John Hull, of Birmingham University, suggests that most schools find their own way through the faith minefield with considerable success. The mistake made by many traditionalist commentators, he believes, is to confuse

the collective worship schools must offer with the kind of sacred worship practised in a church, mosque or synagogue.

"In schools, pupils, parents and teachers are collected together acknowledging their differences. They never have a service that purports to represent the worship of all these people," he said.

The key for schools aiming to involve all children is to keep the emphasis on education, not worship. The law requires that religious teaching must not in-

doctrinate, allowing schools to explain the meaning of events from Passover and Eid to Diwali and Ramadan without crossing the line into active celebration.

David Parker, head of Lilicraft First School, has consulted widely with parents over religious education and worship. "Once parents realised we were not threatening to subvert anything, they were very supportive. If they trust that you are not undermining their faith then the problems don't exist."

Leading article, page 17

Tomorrow
The
eye

14 days
of TV



PLUS
Critical
guide to
all the
best films



PLUS
IN THE LONG
WEEKEND
Christmas
rambles



Walk off
that turkey

Jealousy plunges Gulf veterans into civil war

Ian Burrell

Just when Britain's Gulf War veterans have the Ministry of Defence on the run, they are being laid low by a new enemy.

A noxious cloud of suspicion, jealousy and mistrust has descended on the soldiers, drawing them into battle, this time to fight with each other.

The in-fighting has led to a succession of top-level sackings and resignations, with members of the two Gulf veterans' associations at loggerheads, accusing each other of incompetence and poaching members.

"For us to be diverting our energies into all this internal wrangling cannot be good," said one vet. "It's just what the MoD want."

Much of the jealousy surrounds one family, which has established itself at the hub of the veterans' campaign for treatment and compensation.

Ian Hill, the chairman of the National Gulf Veterans and Families Association (NGVFA), served in the war for under a week but was exposed to a mixture of drugs designed to protect him from Iraqi chemical attack. He became so ill that he had to be flown home.

He has become the most high-profile of Britain's Gulf veterans, campaigning tirelessly, but he is now seriously unwell. He has repeatedly warned that he has only months to live.

Hill uses the title "Major-Chevalier", which he acquired from the Polish order of St Stanislaus, and his wife Carole, a nurse, uses the title of Dame from the same source.

Next month, Major Hill is due to sail to America to become the first British veteran to be treated in a programme sponsored by the Royal British Legion and other military charities.

Dame Carole is a member of the NGVFA executive committee, although she did not serve in the Gulf. Neither did her daughter Debbie and Ian's brother David, who are also on the committee which meets at the Hills' family home.

In recent weeks, the NGVFA committee has fired its vice-chairman and treasurer



Divided front: Ian Hill, a Gulf War veteran and his wife Carole, at their home in Lymm. Photograph: Martin Rickett

following votes of no-confidence. Several regional helpers have also been dispensed with and a succession of regional co-ordinators have resigned in protest.

Ben Gunn, the sacked treasurer, said: "They said I was not doing my job as treasurer. The

charitable arm of the organisation. Phil Sherwood, 37, a regional co-ordinator, said he felt "disgusted" by the sackings. "They were two people that I felt I could trust," he said.

Others took a contrary view. Tony Flint, an NGVFA committee member who supported

Another source of discontent is the relationship between the NGVFA and the Newcastle-based Gulf Veterans' Association (GVA) which was set up a year earlier in 1993.

In recent weeks nearly 400 GVA members have received letters at home from Eddie Blench, a former GVA chairman who is now a member of the NGVFA, asking them to swap allegiance.

Larry Cammoch, 58, the treasurer of the GVA, said: "I am extremely disappointed by it. At the end of the day we are all after the same cause, to find out what's wrong with our lads and how to treat it." He admitted that the GVA had problems in staffing its office.

This week, Carole Hill said the GVA no longer existed and that she was seeking to have its helpline diverted to the NGVFA. "We have taken over the GVA completely now," she said.

Some 1,200 Gulf War veterans are pursuing legal cases against the MoD seeking compensation for the illnesses they suffered after returning from the conflict.

Soldiers were left exhausted and depressed, often with breathing difficulties. Some developed bowel and liver problems and scores have committed suicide. Some claim to have had babies born with physical abnormalities.

Lawyers acting for the sick veterans say their illnesses were caused by a combination of the chemicals they were exposed to - pesticides, tablets and inoculations against chemical warfare - and leakage from Iraqi chemical weapons dumps. Further problems were caused by the stress of fighting.

Richie Turnbull, who resigned as a NGVFA regional co-ordinator because of the in-fighting but still works with vets in North Wales and Merseyside, said the feud was down to Gulf War illness itself.

"People are losing their homes, they are losing their jobs and they are trying to get their war pensions," he said. "The pressure is showing in their relationships both personal and professional."

It has turned into a family circus. I was vice-chairman - supposedly number two - but I was kept in the dark

problem was that I was and they didn't like it." Andy Hagan was sacked as NGVFA vice-chairman after speaking out in support of Mr Gunn. He said: "It's incredible. It has turned into a family circus. I was vice-chairman and supposedly number two but I was kept in the dark."

Both men now expect to be sacked from the NGVFA Benevolent Association, the

**Christmas
is coming and
your company's
PC supplier is
getting fat.**

Dell corporate prices are now even leaner.
Call us before you sign a deal with anyone else.

DELL

01344 724666

Dell and the Dell logo are registered trademarks of Dell Computer Corporation.

University score card

Institution	Final Rank	Percentage of staff entered
University of Oxford	6.68	91.3
University of Cambridge	6.49	98.0
London School of Economics	6.28	97.6
Imperial College, London	5.99	90.2
University College London	5.83	91.2
UMIST	5.61	86.7
University of Bath	5.56	89.5
University of Warwick	5.51	98.4
Lancaster University	5.5	91.6
University of York	5.47	91.3
University of Essex	5.45	89.2
University of Edinburgh	5.35	94.4
University of Sussex	5.35	87.8
University of Bristol	5.34	86.0
University of St Andrews	5.23	87.5
University of Wales, Cardiff	5.22	86.3
University of Durham	5.22	88.2
University of Sheffield	5.21	85.0
Cranfield University	5.2	46.5
University of Southampton	5.2	83.1
Royal Holloway, London	5.2	83.1
School of African and Oriental Studies	5.19	88.5
King's College London	5.16	85.2
University of Manchester	5.12	91.3
University of Birmingham	5.10	86.4
University of Leeds	5.07	87.9
Goldsmiths College, London	5.04	81.1
University of East Anglia	4.97	88.2
University of Surrey	4.97	78.3
University of Nottingham	4.96	88.3
Loughborough University	4.92	81.9
Birkbeck College	4.87	92.8
University of Reading	4.85	88.1
University of Glasgow	4.79	76.4
Aston University	4.77	69.2
Heriot-Watt University	4.77	69.5
University of Liverpool	4.75	82.0
University of Salford	4.75	67.8
University of Newcastle upon Tyne	4.72	86.7
University of Stirling	4.7	76.3
University of Leicester	4.68	89.6
Queen Mary and Westfield College	4.6	82.8
University of Dundee	4.59	76.4
University of Strathclyde	4.58	73.9
Open University	4.57	49.6
University of Exeter	4.55	80.9
University of Wales, Swansea	4.54	73.8
The Queen's University of Belfast	4.51	73.7
University of Bradford	4.44	88.4
Keele University	4.34	88.6
University of Kent at Canterbury	4.33	82.4
University College of North Wales, Bangor	4.31	67.7
Brunel University	4.27	75.9
University of Aberdeen	4.21	91.5
University of Ulster	4.17	54.9
University of Hull	4.04	88.3
University of Wales, Aberystwyth	3.99	86.8
City University	3.92	63.7
Sheffield Hallam University	3.56	27.6
University of Wales, Lampeter	3.55	93.4
University of Westminster	3.31	29.3
Nottingham Trent University	3.22	30.9
University of Greenwich	3.2	26.6
University of Hertfordshire	3.16	27.7
University of Portsmouth	3.12	43.9
South Bank University	3.12	22.3
University of Plymouth	3.1	44.8
Napier University	3.08	17.0
University of Brighton	3.04	44.9
Oxford Brookes University	2.96	48.1
University of West of England, Bristol	2.93	27.8
Manchester Metropolitan University	2.87	34.4
University of Sunderland	2.86	29.2
Robert Gordon University	2.83	32.6
University of Glamorgan	2.77	17.5
Liverpool John Moores University	2.77	36.4
University of East London	2.72	36.3
University of Northumbria at Newcastle	2.69	26.0
University of North London	2.69	37.3
Middlesex University	2.68	43.1
De Montfort University	2.67	52.3
University of Central Lancashire	2.63	21.9
Glasgow Caledonian University	2.63	31.5
Leeds Metropolitan University	2.63	22.7
Thames Valley University	2.63	10.0
University of Lincolnshire and Humberside	2.6	20.7
University of Huddersfield	2.53	44.5
Kingston University	2.53	33.3
Coventry University	2.48	34.2
University College of Wales, Newport	2.35	19.4
Staffordshire University	2.21	38.4
London Guildhall University	2.2	36.0
University of Paisley	2.19	19.4
University of Derby	2.19	25.9
Anglia Polytechnic University	2.08	23.2
University of Abertay Dundee	1.99	35.5
Bournemouth University	1.97	18.8
University of Central England in Birmingham	1.97	34.4
University of Wolverhampton	1.79	27.3
University of Teesside	1.74	32.1
University of Luton	1.72	28.0

The university rankings are based on the average points scored by each researcher entered for the exercise.

The points score has been calculated from the scores awarded to universities by the Higher Education Funding Council. There are seven grades from 1 through 7, 3a, 3b, 4, 5 to 5*.

The number of researchers scoring each grade has been calculated, added and divided by the total number of researchers entered.

The table also shows the percentage of university staff put forward by each university.

The main specialized institutions and the colleges of higher education have been omitted.

Rankings open rift in Oxbridge

Judith Judd
Education Editor

Oxford and Cambridge universities were yesterday locked in a dispute over which had come top in the most extensive university research rankings carried out in Britain.

Oxford was top of the list for the highest average score for each of its researchers in the exercise, but it entered a smaller proportion of dons.

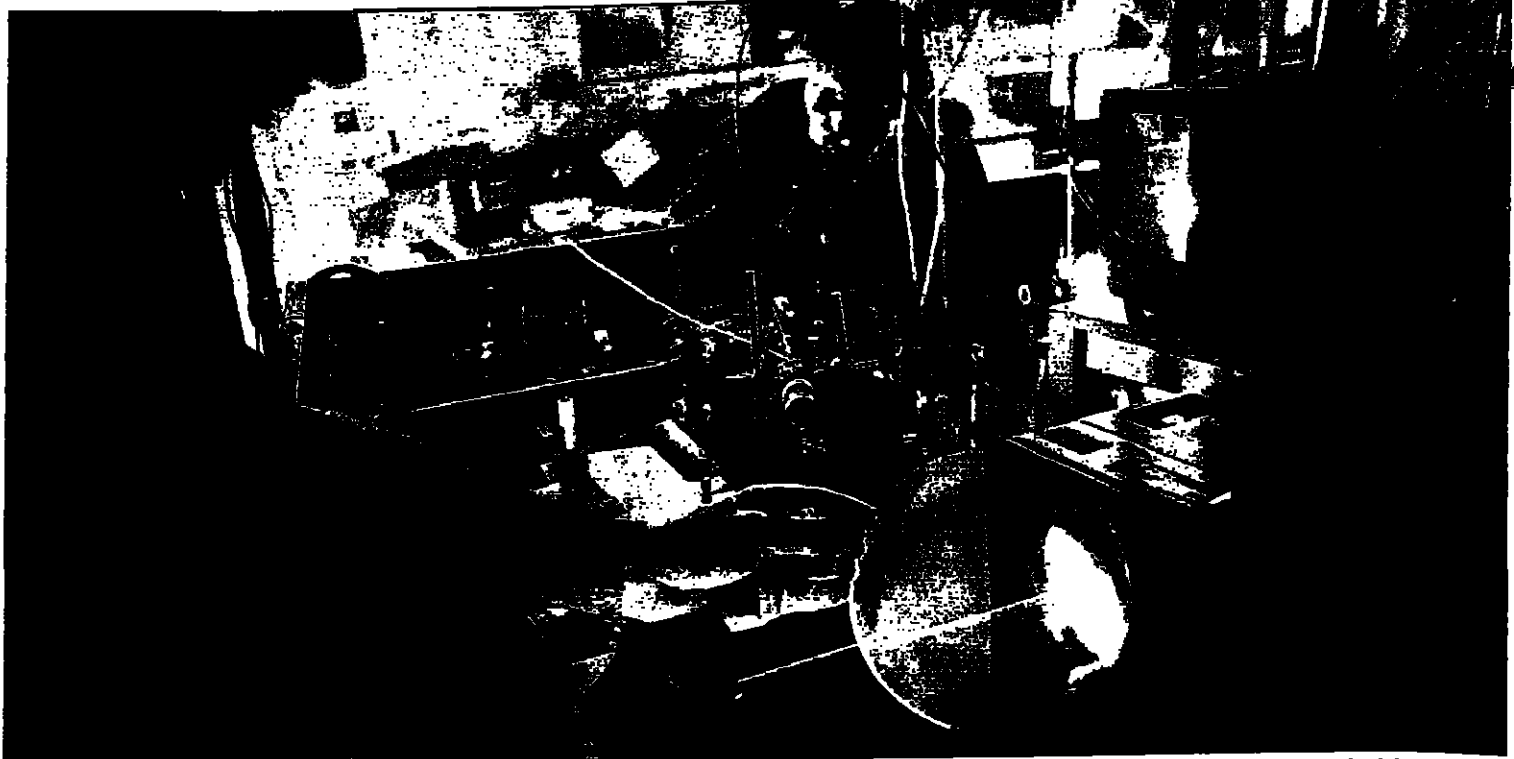
The London School of Economics produced its own league table to show that if Cambridge's decision to enter 98 per cent of dons were taken into account, it would come top. In the same table the London School of Economics was second and Oxford, which entered 91 per cent of its dons, third.

The assessment of 30,000 academics' research will be used to distribute £700m to university departments next year. Those with the lowest ratings will receive no money from the Higher Education Funding Council's research budgets.

A spokeswoman for Cambridge said they were pleased with the results: "In many ways, we have done better than Oxford. It depends how you look at the figures. We have encouraged heads of department to put in as many people as possible."

But a spokeswoman for Oxford said: "We are quite happy about the way in which we put our entry together. Our figures hold up pretty well. We are very pleased the results of the exercise confirm the range and strength of Oxford's research and the international standing of the university."

Universities were allowed to choose what proportion of academics they entered for the exercise but those not included will not be eligible for funding. Some put prestige before funding.



Tomorrow's world: Postgraduates working on an argon ion laser in the Clarendon laboratories at Oxford University. Photograph: John Lawrence

Warwick, which came fourth in the LSE table, pointed out that only two other universities beside itself—Cambridge and the LSE—submitted almost all their staff.

The old universities dominated the top places, as they did when the last exercise was carried out four years ago. Among provincial universities, Bath and Warwick did best. But the new universities, which were polytechnics until four years ago, improved their performance, with an increase in the

number of departments reaching the grades at which most work must be of national excellence from 96 to 351.

The new universities of Westminster, Portsmouth, Thames Valley, East London and Liverpool John Moores received top grades for some work. Sheffield Hallam had the highest rating of the new universities.

In traditional universities, the number of departments reaching standards of international excellence in at least some areas increased sharply.

Professor Brian Fender, the funding council's chief executive, said: "International excellence is not concentrated in tiny numbers of universities and colleges. The best universities have improved their international standing. Many other institutions have also performed impressively by identifying and building on their strengths."

The Funding Council meets next month to decide how to distribute research funds. It already concentrates

most research money on a comparatively small number of universities.

Gillian Shepherd, the Secretary of State for Education, has suggested the concentration might increase.

But Professor Fender said the aim was for the country to fund the best possible research for the money: "If it turns out that we could fund that better by a more concentrated distribution than is the case at the moment then why not? But the evidence doesn't point in that direction."

Dixons

OLIVETTI JP170C COLOUR INKJET PRINTER
IN-STORE PRICE £159.99

FREE COLOUR PRINTER

WITH SELECTED PACKARD BELL PCs

PLUS 12 MONTHS INTEREST FREE OPTION* ON ALL PCs

Packard Bell 9001S P120 MULTIMEDIA PC

- 120MHz Intel Pentium® processor
- 8Mb EDO RAM
- 1Gb hard drive
- 6-speed CD-ROM drive

Was £1499

£1000 OF SOFTWARE 9 MONTHS INTEREST FREE OPTION*

NOW ONLY £1399

FREE £1000 WORTH OF SOFTWARE WITH ALL PACKARD BELL PCs

ACER ACROS P100 MULTIMEDIA PC

- 100MHz Intel Pentium® processor
- 8Mb RAM
- 850Mb hard drive
- 8-speed CD-ROM drive

LARGER STORES 9 MONTHS INTEREST FREE OPTION* VOUCHER PRICE In-store Price £999

£949

apricot MS540/16Mb P120 MULTIMEDIA PC

- 120MHz Intel Pentium® processor
- 16Mb EDO RAM
- 12Gb hard drive
- 28.8 bps modem
- 15" monitor
- ATI 3D Rage Graphics
- 8-speed CD-ROM drive

Was £1799

£1699

apricot MS540/16Mb P120 MULTIMEDIA PC

- 120MHz Intel Pentium® processor
- 16Mb EDO RAM
- 12Gb hard drive
- 28.8 bps modem
- 15" monitor
- ATI 3D Rage Graphics
- 8-speed CD-ROM drive

Was £1799

£1699

COMPAQ 4118 P120 MULTIMEDIA PC

- 120MHz Intel Pentium® processor
- 16Mb EDO RAM (expandable to 72Mb)
- 12Gb hard drive
- 8-speed CD-ROM
- 33.6 bps fax modem
- Easy access buttons

Was £1799

£1599

COMPAQ 4118 P120 MULTIMEDIA PC

- 120MHz Intel Pentium® processor
- 16Mb EDO RAM (expandable to 72Mb)
- 12Gb hard drive
- 8-speed CD-ROM
- 33.6 bps fax modem
- Easy access buttons

Was £1799

£1599

السلامة والبيئة

news

Stadium plans raise a united storm on the moor in Newcastle

Charlie Bain
and Ian Burrell

Newcastle United Football Club sparked uproar on Tyneside last night after unveiling a £65m plan to build a new "super-stadium" on a historic swathe of land in the city's centre.

The club wants to build a new 55,000-seater stadium on Town Moor, which has been in common ownership for over 700 years. The move has caused a rift between local councillors and outraged local protesters who have fought to preserve the open space from development.

The proposal follows months of behind-the-scenes wrangling between the club, council chiefs

and City Freeman, who control the 1,300-acre moor. Sir John Hall, chairman of Newcastle who is turning the club into a continental-style sporting club with teams playing several different sports will be applying for planning permission for the stadium early in January and remain hopeful of getting council backing.

City councillors were given a sneak preview of the new plans at a confidential briefing on Wednesday night and many emerged undecided. Outside the meeting, a pressure group calling themselves No Business on the Moor handed councillors an 18,000-signature petition against the proposals.

Councillor John Shipley, leader of the Liberal Democrat opposition on Newcastle City Council, called for a referendum of the city's taxpayers on whether the stadium plan

should go ahead. He said he was disappointed that the Labour group on the council had not thought it appropriate that the full council should debate the issue. Instead it was delegated

to the development control committee. "This is so important that it ought to have wider consultation and debate," he said.

Councillor Shipley said that he would be calling on John Gummer, the Secretary of State for the Environment, to call a public inquiry into whether the stadium plan should be allowed. Councillor Geoff

O'Brien, a Labour councillor who represents the Moorside ward, said: "This is a very dramatic development and it is true that the club have taken steps to try and minimise any damage the development might have on the area."

"But at the end of the day it is not something I can support. The proposal put forward by the club still doesn't meet the needs of my constituents."

"The bottom line is it is going to involve a loss of open space on Castle Leazes."

Lucy Milton, of No Business on the Moor, said that the council and the football club were operating hand in glove.

"They are by-passing the normal procedure of going from committee to committee. It is totally partisan and thoroughly unacceptable. I am sure it is not something that the national Labour party would approve of."

"The Town Moor is the heart and lungs of the city."

The moor has been in common ownership for 700 years and provides a green area for recuperating patients at the nearby Royal Victoria Infirmary.

Ms Milton said that the traffic management implications of crowds of 70,000 were "horrific" and that if the scheme was allowed it could set a national trend.

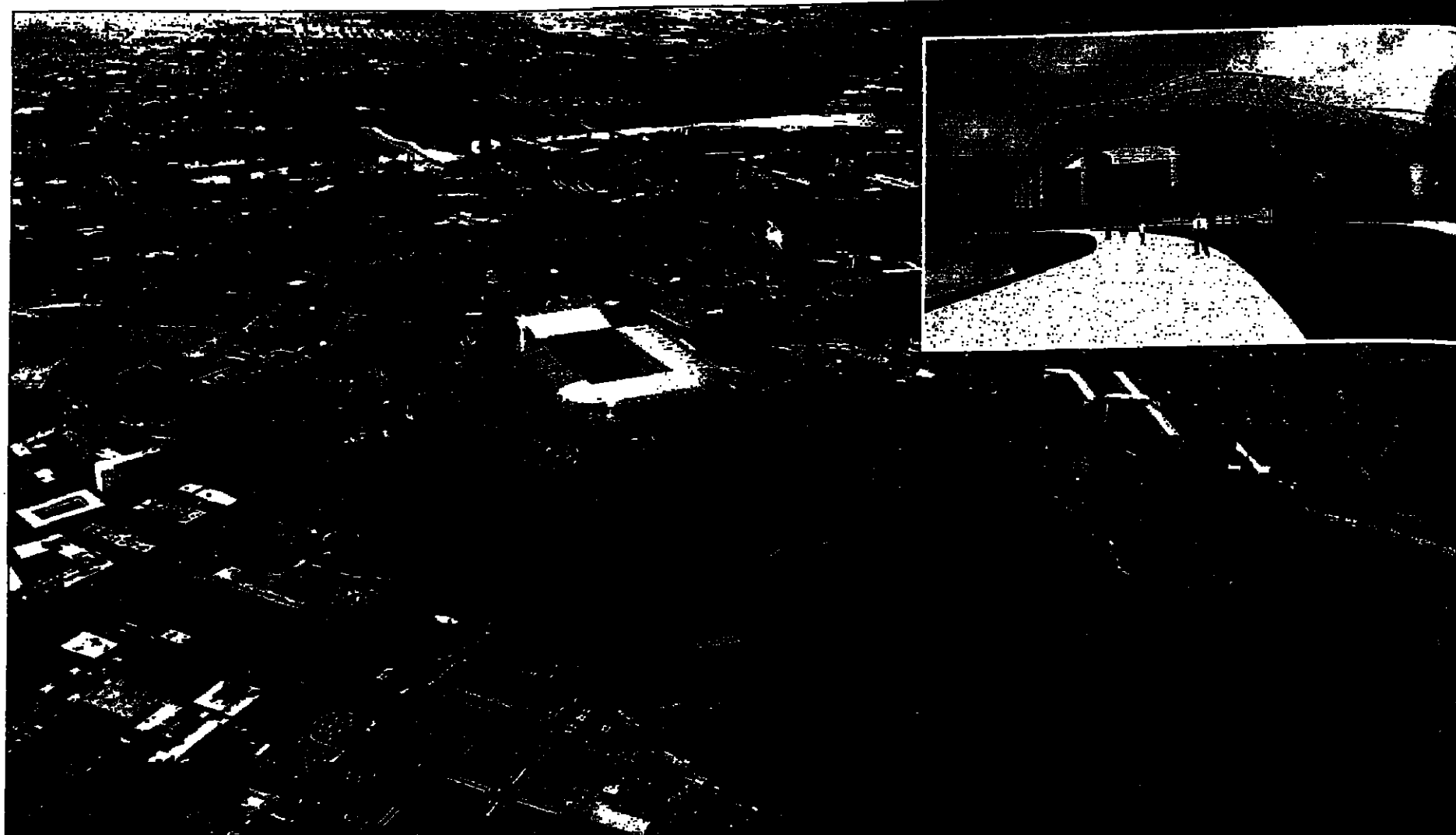
"If they get it here what city centre park will be safe," she said.

Yesterday's announcement comes five months after Newcastle City Council took the unusual step of inviting the club to submit a planning application

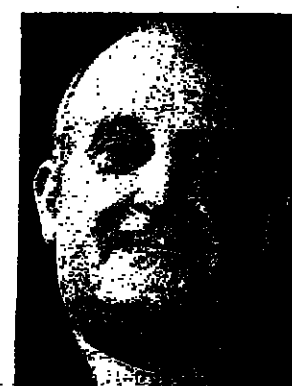
for the Castle Leazes site amid growing fears the club was set to quit the city boundaries for a new home in nearby Gateshead.

In a further twist to the saga it also emerged yesterday that four years ago, Newcastle United actually opposed plans by a development company to build a big sports and music arena on an adjacent site as that proposed for the new football stadium.

A letter to the City Council from the football club, seen by



No business: Newcastle United propose a new 55,000-seater stadium (inset) near their ground, St James' Park (centre), on land (right) in common ownership for 700 years



Sir John Hall: Applying for planning permission

The Independent, contains objections to the proposal on the grounds that it would cause serious traffic problems.

Russell Cushing, the club's general manager, wrote: "The siting of another large entertainment venue in such close proximity, with apparently little or no provision for the parking of additional vehicles, would result in major safety management implications for both parties."

FUJITSU & TOYS R US 2 NAMES YOU CAN REALLY TRUST

ONLY £1199 inc VAT

BUY NOW PAY NEXT SEPTEMBER*

9 MONTHS INTEREST FREE!

IF FULLY PAID BY NEXT SEPTEMBER*

FUJITSU T100
Pentium® processor 100Mhz, 16Mb

£1199 inc VAT
£1020.43 EX VAT

- ▲ State-of-the-Art Multimedia PC with built-in fax modem
- ▲ Pentium® processor 100Mhz
- ▲ 16Mb RAM ▲ Internet Ready
- ▲ 1.6Gb Hard Disk
- ▲ Six Speed CD-ROM Drive
- ▲ 18 Software Titles Including: Windows™ '95, Microsoft Works, Encarta and Actua Soccer

FUJITSU

TOYS R US
Voted Best Computer Retailer by PC PLUS Magazine

FUJITSU N1215 with 1.6Gb Hard Disk
Pentium® processor 120Mhz, 16Mb

£1399 inc VAT

BUY NOW PAY NEXT SEPTEMBER*

9 MONTHS INTEREST FREE!

IF FULLY PAID BY NEXT SEPTEMBER*

FUJITSU N1515
Pentium® processor 150Mhz, 16Mb

£1599 inc VAT

BUY NOW PAY NEXT SEPTEMBER*

9 MONTHS INTEREST FREE!

IF FULLY PAID BY NEXT SEPTEMBER*

PLUS OVER 400 PC/CD-ROM SOFTWARE TITLES IN ALL STORES!

TOYS R US

9 MONTHS INTEREST FREE!
ON ALL PCs

IF FULLY PAID BY NEXT SEPTEMBER*, 20% DEPOSIT.

STORES OPEN ROUND THE CLOCK!

BRISTOL
Oxford Shopping Centre
Junction 2 off A45
01275 555555

GLoucester
Junction 1 off A43
01452 555555

Leeds
Junction 1 off A64
0113 555555

Leicester
Junction 1 off A46
01533 555555

Liverpool
Junction 1 off A56
0151 555555

Manchester
Junction 1 off A66
0161 555555

Nottingham
Junction 1 off A66
01930 555555

Sheffield
Junction 1 off A66
0114 555555

Southampton
Junction 1 off A1
02380 555555

Stoke-on-Trent
Junction 1 off A50
01827 555555

Wolverhampton
Junction 1 off A1
01902 555555

Wrexham
Junction 1 off A50
01938 555555

York
Junction 1 off A64
01904 555555

London Area
Junction 1 off A1
020 555555

South East
Junction 1 off A1
01892 555555

West Midlands
Junction 1 off A1
0121 555555

West of Scotland
Junction 1 off A1
01876 555555

Yorkshire
Junction 1 off A1
01904 555555

Cardiff
Junction 1 off A47
01495 555555

Exeter
Junction 1 off A30
01392 555555

Gloucester
Junction 1 off A43
01452 555555

Leeds
Junction 1 off A64
0113 555555

Leicester
Junction 1 off A46
01533 555555

Liverpool
Junction 1 off A56
0151 555555

Manchester
Junction 1 off A66
0161 555555

Nottingham
Junction 1 off A66
01930 555555

Sheffield
Junction 1 off A66
0114 555555

Southampton
Junction 1 off A1
02380 555555

Stoke-on-Trent
Junction 1 off A50
01827 555555

Wolverhampton
Junction 1 off A1
01902 555555

Wrexham
Junction 1 off A50
01938 555555

York
Junction 1 off A64
01904 555555

TOYS R US
ALL STORES OPEN
7.30AM 'TIL 10PM*
MON - SAT
SUN 11 - 5PM*

*Aberdeen, Edinburgh, Glasgow and Dundee
Sun 9 - 5pm
*10.30pm on Christmas Eve

APR 27.8%

WE'LL MATCH ANY ADVERTISED PRICE

VIEW THE NEW TOYS R US INTERNET CATALOGUE ON:
<http://www.toysrus.co.uk>

SWIFTCALL

listen

Using Swiftcall you can call
USA for only 10p a minute.

anytime

For details of incredible savings to hundreds of other international destinations and to open an account, call and quote this REF: 102

0800 769 0800
outside UK +44 171 488 2001

Freephone access available to Swiftcall customers on:

1488

FLAT RATES
ALL PRICES ARE IN PENCE PER MINUTE

Germany	16p	Swiftcall rates apply
Ireland	16p	24hrs a day
France	16p	7 days a week.
Australia	20p	
Japan	30p	
Taiwan	40p	
Hong Kong	40p	
South Korea	50p	
India	60p	
Nigeria	70p	
Pakistan	80p	

Operators are standing by 24hrs a day 7 days a week ready to take your call. Please have your credit card ready.

INTERNATIONAL

LOW COST INTERNATIONAL CALLS

20150120



Feeling the heat: Ainal Assymuratova, prima ballerina with the Kirov Ballet, warming up before a performance of *The Nutcracker* at the London Coliseum. Performances continue until 4 January
Photograph: Laurie Lewis

Tories to cover millennium debt

Christian Wolmar
Westminster Correspondent

In a last throw of the dice to rescue the £700m Millennium Exhibition at Greenwich in south-east London, the Deputy Prime Minister, Michael Heseltine, has agreed that the Government will underwrite all its costs, making it into a public, rather than private project.

This unusual reversal of the Government's credo is an attempt to keep the plans on track in the face of refusals by Labour to guarantee any potential losses. It is also a recognition that although the private sector was to have contributed £150m in sponsorship, less than one-third of that has been guaranteed so far.

Under the plan the organisers, Millennium Central, would become a quango, rather than an independent entity as it is at present. However, the agreement of the Labour Party, which

is needed because of the likelihood that it will be in power when the event takes place, has still not been obtained. Jack Cunningham, Labour's heritage spokesman, has refused to sanction the £700m budget, which includes £200m from the Millennium Commission.

Earlier this week in Parliament Mr Cunningham said that the ultimate cost might be £1bn and wondered whether the scheme should go ahead "at any price or be allowed to pre-empt more and more Millennium Commission funds".

There is a suspicion that Labour would like to see the whole plan ditched in favour of smaller, regional exhibitions. One source involved in the plans said: "Mr Cunningham is not being clear. He keeps on saying the budget is excessive, but he refuses to say exactly how much should be spent on the project." According to consultants to the or-

ganisers, losses could be up to £427m, if there were building site overruns and a bad summer.

The decision by Mr Heseltine to "nationalise" the exhibition carries echoes of the Festival of Britain in 1951 when a similar move was made in the late Forties by the ruling Labour Party to ensure that the event would take place even if the Tories won the 1950 election. In the event, Labour just held power and by the time the Tories won later in 1951, the festival was so popular that they did not attempt to curtail it.

According to Richard Weight, who is writing a book about the exhibitions of 1851, 1951 and 2000, concerns about overspending may be exaggerated. He says that criticism of overspending on the Festival of Britain was "so strong that they managed to keep to budget. The Arts Council was even left with a surplus since its events were so popular".

How mystical seven gives a nod to big ears

Liz Hunt
Health Editor

From the Seven Deadly Sins and the Seven Wonders of the World to *Seven Brides for Seven Brothers* and the Seven Dwarfs, the number seven has a significance denied to other, lesser (or greater) digits – and the human body is not exempt. Scientists have discovered that male, human ears grow in seven-year cycles, reviving the ancient Greek belief that there are circaseptennial rhythms in human development.

The discovery follows the revelation last year that male human ears continue to grow throughout life – at about 0.22mm a year in men aged over 30 – supporting the observation that some very old men have big ears in relation to their skull size.

Dr Jos Verhulst of the Louis Bolk Institute in the Netherlands and Patrick Onghena at Katholieke Universiteit Leuven in Belgium, analysed ear length values from the age of 30 to 83 and found that ear-growth velocity peaked around multiples of seven years.

They write in the *British Medical Journal*: "The idea of a seven-year rhythm in human development is old, dating back at least to ancient Greece. Reports on circaseptennial phenomena are, however, scarce in recent published work."

"Seven-year periodicity remains comparatively unknown, perhaps because it is not looked for by many researchers. This may be because no major seven-year rhythms seem to be present in the natural environment. In this respect, the circaseptennial rhythm differs from the better documented circadian and circaseptadian rhythms, which can be linked to day-night cycle, and to tidal periodicities, respectively."

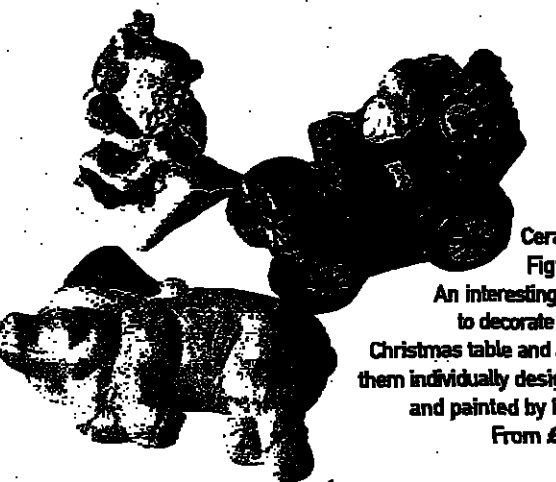
Professor Ian Stewart, of the Mathematics Institute at Warwick University, says that in the Hippocratic tradition the number seven governs the ailments of the body. In Germany it was believed that people would not catch swine fever if they spent seven days drinking and bathing in water containing asphodel (a type of lily). A Jewish cure for fever involved taking "seven prickles from seven palm trees, seven chips from seven beams, seven nails from seven doors..." and so on, up to "seven hairs from the beard of an old dog".

Numerologists see seven as the sum of the spiritual three and the material four, signifying the creation. The world, according to the Old Testament, was created in seven days. Psalm 90 sets the human life span at seven decades; Solomon's temple had seven steps, and Noah's dove returned to the ark after seven days.

RE-DECORATE YOUR LIVING ROOM THIS CHRISTMAS.



Attractive, ready planted Victorian style, large, golden bamboo basket. Still popular today. £14.99.

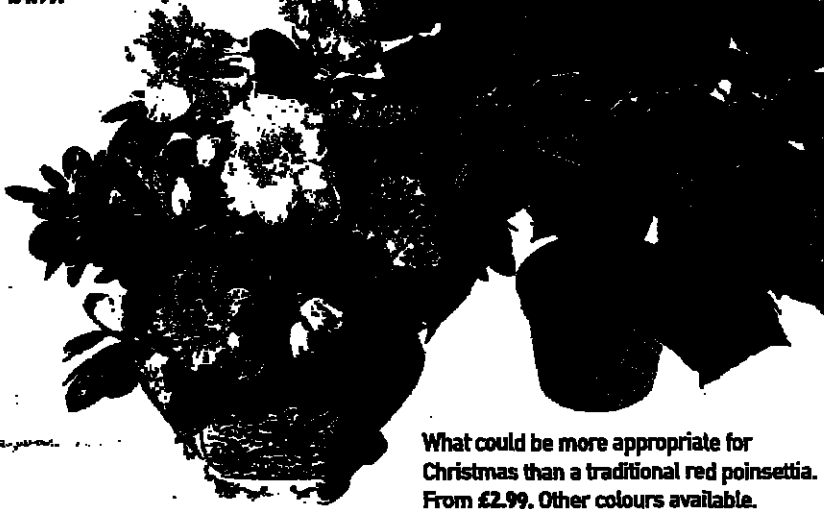


Ceramic Figures. An interesting way to decorate your Christmas table and all of them individually designed and painted by hand. From £1.99.



A magnificent small, golden planted bamboo basket. £8.99.

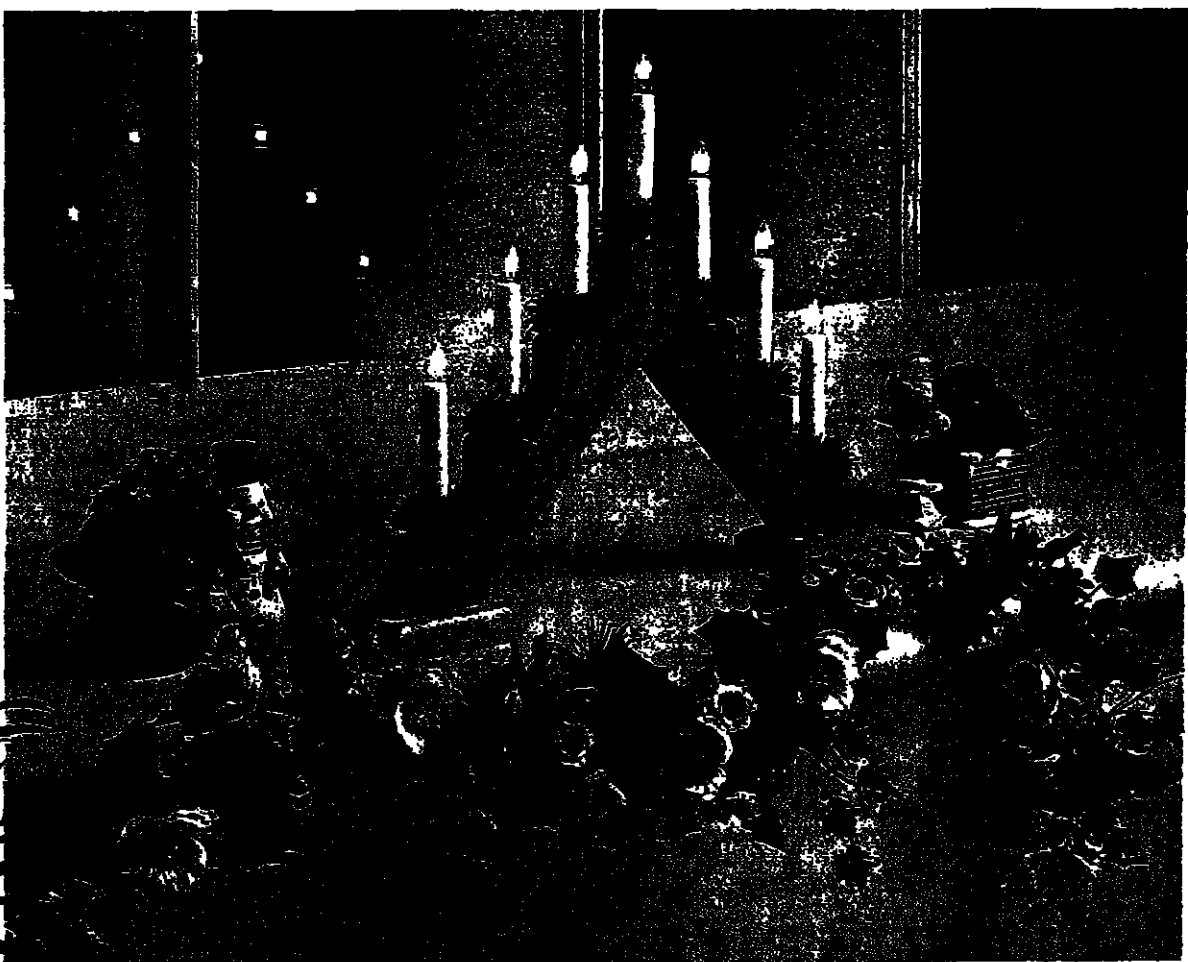
A charming Azalea in a ceramic pot for a fresh look this Christmas. £4.99.



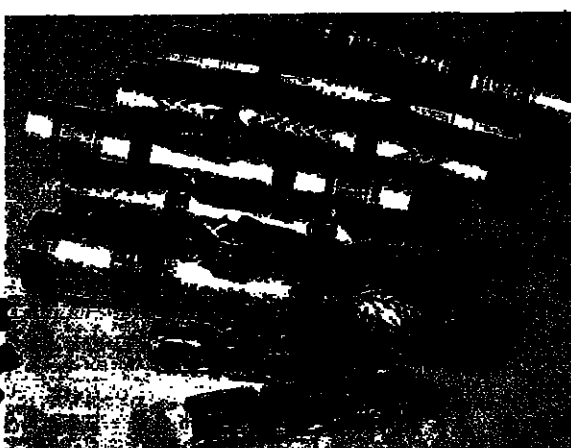
What could be more appropriate for Christmas than a traditional red poinsettia. From £2.99. Other colours available.



This elegant pine candlelight arrangement looks welcoming on any table, windowsill or sideboard. £19.99.



Snowman and Father Christmas ceramic planters add that festive touch. £2.99. The hand assembled poinsettia and rose garland add the finishing touch. From £7.99.



Make Christmas Day go with a bang. With crackers of all kinds for children and dinner parties. From £2.25 for 12.



A beautiful planted willow basket. Perfect to brighten up a corner. £7.99.

Now On Video GULLIVER'S TRAVELS

for the BIG and the SMALL



TED DANSON,
PETER O'TOOLE, JAMES FOX,
SIR JOHN GIELGUD, EDWARD WOODWARD,
NICHOLAS LYNDHURST, RICHARD WILSON,
KRISTIN SCOTT THOMAS

"Extraordinary" - The Independent
"Brilliant, compelling and witty... destined to become a classic" - The Times

This Channel 4 visual extravaganza was one of the television events of 1996. Something enormous, big and small, will want to keep on video.



AVAILABLE FROM ALL GOOD VIDEO STOCKISTS

H MIEBASE

SAINSBURY'S HOUSE AND GARDEN CENTRES

ALL ITEMS ARE SUBJECT TO AVAILABILITY

news

Moral guideline for schools says marriage is best

Lucy Ward
Education Correspondent

Explicit support for marriage has been included in new guidance for teaching morality in schools after traditionalists put pressure on government advisors.

Draft guidelines had made no mention of marriage, referring merely to valuing families as the basis of a caring society. But after public consultation, the statement of values for use in moral education has been revised to say that "we as a society should support marriage as the traditional form of family".

The change, announced yesterday, will please Gillian Shephard, the Secretary of State for Education, who said that she wanted more emphasis on the family than was included in the original. Five members of the 150-strong forum which devised the draft statement had also called for stronger support of the family.

However, the forum, set up by the School Curriculum and Assessment Authority (SCAA), was at pains to point out that the change should not devalue the experience of children growing up in non-traditional families. The new clause adds that society should recognise "that love and commitment required for

a secure and happy childhood can be found in families of other kinds".

Dr Nick Tate, SCAA's chief executive, said the changes represented a compromise following consultation, and denied that Mrs Shephard had influenced the recommendations.

Evidence showed that areas with low levels of marriage and high divorce rates suffered greater social and educational problems, he said. "The challenge to the education system is how can it best help to create a system in which children aspire to lifelong marriage and are more likely to achieve it."

Countries boasting a strong academic performance often included moral education as a core part of their curriculum, Dr Tate said. Although there was no evidence that moral teaching improved standards, "it clearly does not get in the way".

The changes have been made following a wide consultation including a survey of almost 1,500 adults in England and a random sample of 3,200 schools. Fourteen groups of headteachers, school governors and parents contributed their views, and 400 organisations responded to a postal questionnaire.

The MORI poll revealed that the vast majority of adults

agreed with the statements, although the teachers felt that many of the terms used were capable of differing interpretations and thought the guidelines should be shorter and clearer.

The consultation found an even split between those who believed there was no single form of the family and those supporting an increased emphasis on the family and marriage. Schools were similarly divided.

The forum concluded that there was less disagreement over family values than had been thought, and felt the new wording offered a suitable compromise, Dr Tate said.

The guidance is intended as a basis for teaching moral values to pupils, to prompt debate and discussion rather than to be adopted wholesale. The revised statement will be put before the forum next month. Recommendations will be put to the SCAA and Mrs Shephard in February.



Stranded: Cars caught in the floodwater which left Chester-le-Street, in Co Durham, awash. Photograph: Raoul Dixon

After the deluge - water with nowhere to go

A town was awash yesterday as floodwater swept through its market square lifting cars in its path.

Chester-le-Street in Co Durham was cut off as cars became stranded in water three feet deep after more than 48 hours of continuous rain.

Cars travelling to the town from the west were turned away by police. Other motorists who tried to venture in were left stranded after their engines were overcome with water.

Martin Wallwork, spokesman for Durham Constabulary said: "It appears the flooding has been caused by the blockage of South Burns stream which runs into the town and on to the River Wear. The water had nowhere to go so it just flooded into the market place."

A shopkeeper, Lawrence Steel, said: "Some of the houses near here have been flooded along with a couple of offices. The mechanics next door can't work either because the garage is completely full of water."

Debt fear over plan to make poor pay bills

Colin Brown
Chief Political Correspondent

Some of Britain's poorest people are likely to have help withdrawn from the social services departments in paying their bills for heating, electricity, gas, water and council tax.

A leaked document seen by *The Independent* says it was agreed at a meeting with Peter Lilley, the Secretary of State for Social Security, that the Benefits Agency should "not be in the business of social banking/debt management and should seek to develop a disengagement strategy, leading ultimately to the withdrawal of the direct payments scheme".

The Benefits Agency, which handles the payments for thousands of the poorest claimants, said: "The whole thing is under review. It is making sure customers understand their responsibilities as well as their rights. Ministers are still thinking about it."

But the leaked document leaves little doubt the cuts in service will go ahead as part of Mr Lilley's drive to reduce costs by cutting civil service jobs in social security offices across the country.

The move was condemned as "heartless" by Alan Simpson, a leading member of the Campaign Group of Labour MPs,

whose local Nottingham office is among those to be hit by the cuts. He said: "This is a slap in the face for some of the poorest in the land."

Direct payments are made by social security officers to the private utilities, local councils, and courts, in deductions from benefits for claimants who are in debt and unable to handle their own affairs.

The withdrawal of direct payments will leave the claimants with extra benefits, but civil servants who make the payments fear it will lead to more people falling into debt, and having their gas, water or electricity switched off, because they will spend the money on other items they need, such as the weekly food bill.

"The civil servants who work in the direct payments sections are outraged. A lot of them enjoy that aspect of their work helping people to get out of debt," said a civil service source. "When that help is withdrawn, these people will be unable to handle their own affairs. That is why they got into debt."

The direct payments of mortgages to lenders will not be affected. The Benefits Agency said: "It has been worked out with the banks and the lenders and is more efficient for us, so that will go on."

SPORT ON THE NET

News : Results : Form : Stats

Sporting Life PA

Soccer Racing

Rugby Golf

Boxing Cricket

Other Sports

THE FUTURE STARTS HERE

<http://www.sporting-life.com>

FREE TRIAL NOW ON!

MULTIMEDIA PC SALE

PLUS
BUY NOW PAY UP TO 1998 ON MULTIMEDIA PCs

BUY NOW PAY JUNE 1998
SALE £1799.99 SAVE £200
INCLUDES 13 SOFTWARE TITLES

AST MULTIMEDIA PC
• Intel 166MHz Pentium processor • 16Mb EDO RAM
• 256Kb cache memory • 2.5Gb hard disk drive
• 8 speed CD ROM drive • 28.8 Kbps fax/modem
• 16 bit sound card with WaveTable • 14" monitor
• Includes M-PEG software • 13 software titles including MS Works and Intuit Quicken
AVAILABLE AT LARGER STORES
Model 9304, was £1849.99 previously £1999.99

FREE SKY
SATELLITE SYSTEM FULLY INSTALLED
Sound CD29 or more on one or more products at Comet and get a Sky system absolutely free, we'll even install it too! Simply subscribe to any Sky package. Offer available to first-time Sky subscribers subject to conditions. See in store for full details.
OFFER NOW EXTENDED AT COMET

NEW! NO CLAIM MONEY BACK 5-YEAR WARRANTY
For real peace of mind, a single premium payment guarantees five years' comprehensive cover against product breakdown. Two 24 hour telephone helpline services and free cover for a PC upgrade by a Comet approved engineer. If, after five years, you've made no claim, you can get all your warranty money back in full.
THE COMET PRICE PROMISE
If you buy any product from Comet, then within 14 days find the same offer on sale locally at a lower price, we'll willingly refund the difference, PLUS 10% OF THAT DIFFERENCE.

SAVE UP TO £200 ON MULTIMEDIA PCs

COMODORE MULTIMEDIA PC • Intel 120MHz Pentium processor • 64Mb EDO RAM • 256Kb cache memory • 1.2Gb hard disk drive • 8 speed CD ROM drive • CD accelerator card with 24Mb Video RAM • 16 bit WaveTable surround sound card • Windows 95 operating system • Includes Sega Gameport and 3 Sega classic arcade games including Virtua Fighter Model P120 BUY NOW PAY 6 MONTHS LATER SALE £999.99 EXCLUSIVE TO COMET INCLUDES 3 ARCADE GAMES	OLIVETTI MULTIMEDIA PC • Intel 120MHz Pentium processor • 64Mb EDO RAM • 1.5Gb hard disk drive • 8 speed CD ROM drive • 16 bit 3D surround sound card • 14" monitor • Includes built-in speakers and sub woofer for great sound • 22 software titles including MS Plus and MS Works Model 55-120, was £1299.99 BUY NOW PAY 9 MONTHS LATER SALE £1499.99 SAVE £150 INCLUDES 22 SOFTWARE TITLES
AST MULTIMEDIA PC • Intel 120MHz Pentium processor • 16Mb EDO RAM • 256Kb cache memory • 1.5Gb hard disk drive • 8 speed CD ROM drive • 28.8 Kbps fax/modem • Built-in graphics card • 14" monitor • 16 bit sound card with WaveTable • 16 software titles including MS Works and Intuit Quicken Model 9304, was £1599.99 previously £1499.99 BUY NOW PAY 9 MONTHS LATER SALE £1349.99 SAVE £150 INCLUDES 10 SOFTWARE TITLES	IBM MULTIMEDIA PC • Intel 133MHz Pentium processor • 16Mb FLEX RAM • 1.5Gb hard disk drive • 8 speed CD ROM drive • 16 bit sound card • Includes M-PEG software • 18 software titles including Lotus Smart Suite, MS Works and Excel 95 Model 8611, was £1599.99 previously £1699.99 BUY NOW PAY 9 MONTHS LATER SALE £1499.99 SAVE £200 INCLUDES 18 SOFTWARE TITLES
OLIVETTI MULTIMEDIA PC • Intel 133MHz Pentium processor • 16Mb EDO RAM • 1.5Gb hard disk drive • 8 speed CD ROM drive • 28.8 Kbps fax/modem • 16 bit 3D surround sound card • 22 software titles including MS Works and MS Works Model 73-133, was £1699.99 previously £1749.99 BUY NOW PAY JUNE 1998 SALE £1599.99 SAVE £150 INCLUDES 25 SOFTWARE TITLES	AST MULTIMEDIA PC • Intel 133MHz Pentium processor • 16Mb EDO RAM • 256Kb cache memory • 1.5Gb hard disk drive • 8 speed CD ROM drive • 28.8 Kbps fax/modem • 16 bit 3D surround sound card • 22 software titles including MS Works and MS Works Model 7303, was £1699.99 previously £1799.99 BUY NOW PAY 12 MONTHS LATER SALE £1649.99 SAVE £150 INCLUDES 14 SOFTWARE TITLES

SAVE UP TO £50 ON PRINTERS

OLIVETTI INKJET PRINTER • Up to 3 pages per minute • 300 x 300 dpi print quality • 40 page sheet feeder • Colour upgrade kit available in store £29.99 Model JP170 was £179.99 SALE £99.99 SAVE £30	HEWLETT PACKARD COLOUR INKJET PRINTER • Up to 3 pages per minute • 300 x 300 dpi print quality • 60 page sheet feeder • Includes Print Shop Deluxe and Myel Model DJ400 FREE COLOUR KIT SALE £159.99 EXCLUSIVE TO COMET
LEXMARK COLOUR INKJET PRINTER • Up to 3 pages per minute • 300 x 300 dpi print quality • 100 page sheet feeder • Includes Lexmark Workshop CD Model 1020 was £179.99 previously £199.99 SALE £159.99 SAVE £40	OKI INKJET PRINTER • Considering its impressive performance it's a bargain! • Laser quality pages printed • Up to 4 pages per minute • 100 page sheet feeder • Compact design Model PAGE 4W was £249.99 previously £299.99 SALE £209.99 SAVE £50
LEXMARK COLOUR INKJET PRINTER • Up to 4 pages per minute • 300 x 300 dpi print quality • 100 page sheet feeder • Dual cartridge printing • Includes Lexmark Workshop CD Model 1120 was £239.99 previously £279.99 SALE £239.99 SAVE £40	CANON COLOUR INKJET PRINTER • Up to 4.5 pages per minute • 720 x 360 dpi print quality • 100 page sheet feeder • Photo excellent upgrade • Dual cartridge printing Model BJ420 SALE £269.99 NEW

COMET CHRISTMAS CATALOGUE IN STORE NOW!
Packed with 450 of the best products available.
Prices updated daily.
TeleText Ch.4 P.425

1520 20 11 20

Ruined classic: Chandos House, off Portland Place, London. Although featured in the film *Sense and Sensibility*, it has been allowed to fall into decay. Photograph: Edward Syles

Asylum seekers snared in red tape

Fran Abrams
Political Correspondent

Ministers are to review the appeals system for asylum-seekers and would-be immigrants after a huge rise in the number of outstanding cases.

Last night the Home Office rejected allegations by Labour's spokesman on immigration and refugees that the criteria for accepting asylum-seekers had been tightened up. Under a 1951 UN convention, anyone with a "well-founded fear of persecution" was granted refugee status, a spokeswoman said.

Neither she nor the court service could explain why the number of outstanding appeals had gone up twentyfold since April 1994, from 1,069 to 20,388, while the numbers applying for asylum had fallen. Rules introduced this year under a new Asylum and Immigration Act have restricted benefits for asylum-seekers and have required employers to make checks on them.

However, Michael Howard, the Home Secretary, announced in a parliamentary answer that he and the Lord Chancellor would look at whether the system allowed adequate rights of appeal and whether it provided good value for money.

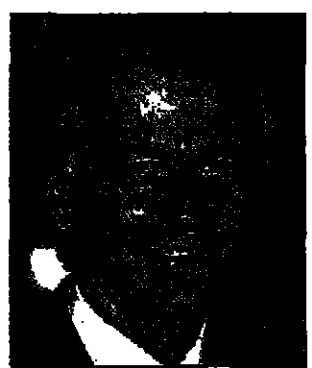
They would also consider what impact immigrants' and asylum-seekers' rights of appeal had on the operation of immigration control, he said.

Doug Henderson, the Labour spokesman, said asylum-seekers often did not feel the system was fair. There were 60,000 cases outstanding, and 20,000 were in the appeals system. "It is quite clear that there has been a tightening up by immigration officers on applications and has led to a greater number of appeals. The whole process is grinding slowly to a halt. It is the exact opposite of what the Government were trying to do with their new Immigration Act."

Parliamentary questions tabled by Mr Henderson revealed that the number of outstanding appeals had risen by almost 9,000 in 11 months, from 11,000. The budget of the Immigration Appellate Authority had gone up from £6.9m in 1994-95 to £9.9m in the current financial year.

Claude Moraes, director of the Joint Council for the Welfare of Immigrants, said Home Office scepticism about asylum cases had affected the attitudes of adjudicators. "There is a climate of disbelief and a culture of suspicion in the Home Office. We see it every day in our case work. Given that the review is by this Home Office and this Home Secretary we have got to be deeply apprehensive," he said.

A Home Office spokeswoman said the number of applications for asylum had fallen from 3,300 in January this year to 920 in June. After a High Court ruling temporarily reinstated benefits in June, 2,515 applied in July, the spokeswoman said. "The criteria have always been the same. You could ask if all those appeal applications truly valid or if some are just delaying tactics."



Doug Henderson: Questions revealed a rising backlog

Repairs win reprieve for owners of Adam's rotting masterpiece

Stephen Goodwin
Heritage Correspondent

Moves to purchase compulsorily Chandos House, one of London's finest but most neglected town houses, have been suspended by English Heritage, after its owners started vital repairs.

The Grade I listed building, built by Robert Adam in 1770 off Portland Place, served for half a century as the Austro-Hungarian embassy and featured in the film *Sense and Sensibility*. But in more recent years it has stood empty and has been ravaged by dry rot.

In May this year, English Heritage took the rare step of issuing a compulsory purchase order for what had become one of the most important buildings on the quango's "Buildings at Risk" register.

A public inquiry was to be held next month. But following a start on repairs by the owners, Fairgate Investments, the inquiry has been adjourned indefinitely.

The property company, chaired by a Nigerian chief, Chief Akintola, has put a new roof on the building and has agreed to begin further work in the new year. This will include replacing four ornate Adam chimney pieces which were stolen last year.

Sir Jocelyn Stevens, chairman of the heritage quango, said he was relieved that work was at last in progress, but added that the CPO would not be withdrawn until it was completed.

Last May he railed against the "disgraceful neglect" of Chandos House. Extensive dry

rot threatened to spread into the principal rooms and there were cracks in the wall.

Fairgate bought the property for £5m in 1988 at the height of the property boom, intending to turn it into a hotel. But, as the company's solicitor observed yesterday: "My clients bought the wrong property at the wrong time."

Once repaired, the house will be put back on the market for residential or hotel use.

Built for the third Duke of Chandos, the house became the Austrian (later Austro-Hungarian) embassy from 1815 to 1871 and was the scene of

glittering parties hosted by Prince Esterhazy, the ambassador. Its most recent occupant was the Royal Medical Association. On film, it was also the home of John and Fanny Dashwood in the film of Jane Austen's *Sense and Sensibility*.

Fairgate successfully settled a legal action against a security company over the theft of the chimney pieces. Replacing them will be a specialist task involving the import of marble from Carrara in Italy.

English Heritage served a repairs notice last February, giving the owners two months to carry out £900,000 of work.

PLUS LATEST SOFTWARE TITLES

COMMAND AND CONQUER: RED ALERT

Gives you the opportunity to be more devious, cunning and ruthless than ever before. Fight over land, sea and air. Dozens of close-ups and action movies. Easy to play and highly addictive. Red Alert puts the fate of the world in your hands.

£29.99 NEW



FIFA SOCCER 97

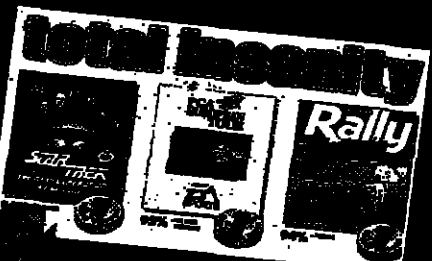
FIFA has been the top-selling Christmas title for the last three years. Now development includes real time 3D graphic simulation and motion blending which allows total freedom of play and realistic playing styles. Plus commentary from John Motson, Des Lynam and Andy Gray.

£29.99 MEGAPAD FOR ONLY £5.99 WITH THIS TITLE

TOTAL INSANITY

Three Christmas crackers in one box. This compilation combines the racing action of Network Rally, the split adventure of Star Trek: The Next Generation and the sporting challenge of PISA European Tour.

£39.99 MEGAPAD FOR ONLY £5.99 WITH THIS TITLE



ALL THE LATEST SOFTWARE TITLES FROM ONLY £14.99

PLUS MEGAPAD FOR £5.99 ON SELECTED TITLES

TOY STORY - ANIMATED STORYBOOK

This most sophisticated storybook yet with puzzles throughout and loads of exciting hot spots with secret animations.

£34.99 NEW

WINNIE THE POOH - ANIMATED STORYBOOK

Listen to the memorable story, as well as the song, the poem and then engage in a wealth of games and activities.

£39.99 NEW

MOODY

Aimed at 3-8 year olds, this title includes an animated storybook, three treasure hunts, two 10 minute videos and various games and puzzles.

£29.99 NEW

F1 GRAND PRIX 2

This outstanding racing game features all the drivers, teams and sponsors - just like the real thing. All 16 circuits in stunning 3D graphics with great nation and sound.

£34.99 MEGAPAD FOR ONLY £5.99

ENCARTA 97

Browse through more than 28,000 entries, over 3,000 new or updated entries and link to thousands of World Wide Web sites.

£44.99 NEW

DISC WORLD II

Discworld is set in the fantasy world of Terry Pratchett's novels. Renowned for its involving gameplay and superb graphics.

£29.99 NEW

FLIGHT SIM 5

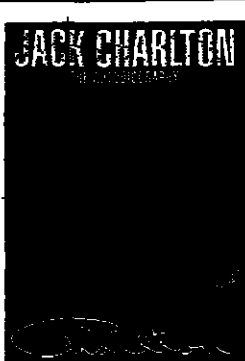
Flight Sim 5 has stayed in the CD ROM charts almost constantly for 3 years and for the first time this latest version will now include UK terrain and airports.

£39.99 MEGAPAD FOR ONLY £5.99

CATZ

Computerised pets that live on your desktop. Watch them chase mice across your documents or enjoy Cat Knapsack in your screen saver mode.

£14.99 NEW



Jack Charlton - The Autobiography
Jack Charlton's full story. His times as a player, the 'Wembley miracle' he wrought from the Irish team and a full defence of his off-criticised tactics for success.

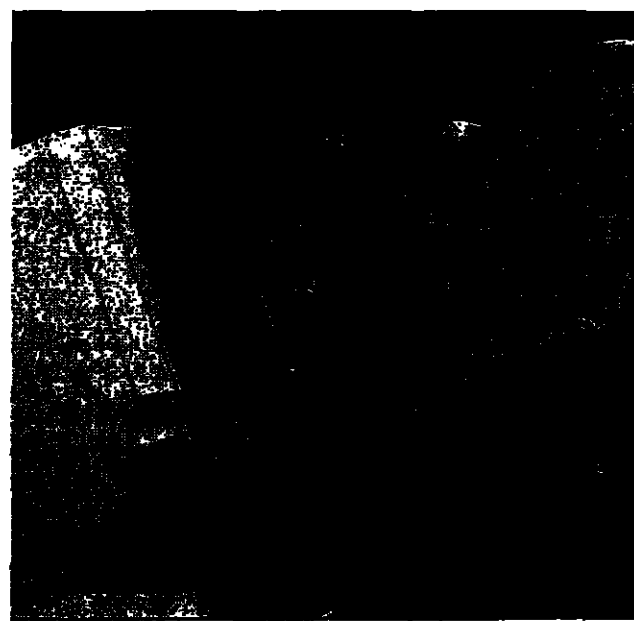
Price £9.99

Quality Choice Value

BOOKS ETC.

BOOKS ETC.

No...they don't come with airbags



PC problems driving you mad?

Then welcome to three solutions that will lower your blood pressure.

Want regular check-ups?

Get a one-button safety check-up for your PC. HealthyPC checks for viruses and defragments your hard disk to speed up and protect your computer.

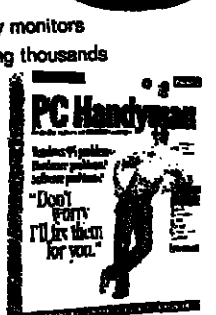
NEW



Need a helping hand?

PC Handyman continuously monitors your PC, automatically fixing thousands of computer problems as they occur. If you run into difficulties with a printer, modem or other device, just type in your problem. PC Handyman also shows you multi-media videos to help you understand more about your computer, and how to keep it in perfect running order.

NEW



Be your own expert.

Norton Utilities helps you resolve software conflicts, scans for viruses, recovers accidentally crashed files and retrieves lost files. Got a system failure? The Rescue Doctor will put you back on the road to recovery. Hard Disk problems? Let the Disk Doctor step in. Now you can see why Norton Utilities is the experts' choice for solving PC problems!

NEW VERSION



FREE
NORTON CrashGuard™

Call our web site at
www.symantec.com/family01.html
and download your FREE copy of Norton CrashGuard Now!

SYMANTEC
The makers of Norton Software

Available from
PC WORLD • SOFTWARE WAREHOUSE • ACTION
0990 464464 01675 456487 0800 333333
and all good computer retailers and resellers

COMET
You can't buy better this Christmas

MOST STORES OPEN SUNDAY & UNTIL 8PM WEEKDAYS
RING FREE ON 0500 425 425 FOR DETAILS OF YOUR NEAREST STORE

international

Peruvian leader caught in fatal waiting game

Maria Pallais
Lima

After two days of silence, and still without having made an official appearance, President Alberto Fujimori is in close consultation with his most trusted ministers, attempting to find a solution to the devastating blow that Peruvian rebels have inflicted on the credibility of his government.

Mr Fujimori and his ministers, including Prime Minister, Hugo Pandolfi, Minister of the Interior, General Juan Briones Davila, and Minister of Education, Domingo Palermo, were reported to be meeting yesterday morning in the Presidential Palace to discuss the Japanese embassy siege that followed the seizing on Tuesday night – the birthday of Japanese Emperor Akihito – of around 500 diplomats, politicians and business leaders.

The left-wing Tupac Amaru rebels were yesterday still holding 490 hostages.

Prior to that meeting, inside the Japanese mansion rebel leader Andante Emilio Huerta, and other members of the MRTA chose Ambassadors Anthony Vincent of Canada,

Heribert Woekell of Germany, Aleibiades Karokis of Greece and the French attaché, Hyacinthe D'Montera, to relay their list of demands. First among these is the release of 500 Tupac Amaru prisoners.

On Wednesday night, the five diplomats left the Japanese embassy to meet with a government commission appointed by the President and headed by a local government official.

The rebels had asked that Hubert Lanniers, a priest, and the country's Ombudsman, Jorge Santisteban, act as their representatives. Though they both accepted, so far it is unknown whether or not they are a part of the mediation efforts.

As the rebels see it, their demands are simple – the liberation of all the 500 prisoners, among them their leader, Victor Polay. They also want better conditions in jails, justice for all, and economic opportunities for the poor.

But President Fujimori, who has built a world reputation for having had the courage to "disintegrate" terrorism in his country, especially in the capital, Lima, will find it hard to cave in to any of the demands. "He is between a rock and a

hard place. If he gives in to just one of their demands he will lose face forever. If he doesn't, he will be blamed for bloodshed," said one observer.

The drama began minutes after Mr Fujimori's mother and his younger brother, Pedro, had left the Japanese Embassy. A group of 25 young rebels, masked and heavily armed, stormed into the residence, some carrying flowers, others dressed as butlers, and a group from the back door entered through a tunnel they had built, ordering everyone to the floor.

Local analysts were yesterday at a loss as to what the outcome would be. They insist it may be too early to predict anything. Mr Fujimori will have no choice but to reappear before Christmas, according to many.

"He's a very calculating man. He's probably waiting for what the Japanese Foreign Minister, who arrived in Lima early yesterday morning, will tell him. Then he will listen to the US representative and soon, hopefully on Christmas Eve, he will make his own decision," said a Peruvian doctor who supports Mr Fujimori. "But we have to admit it. This was a heavy blow – totally unexpected."



Standoff: Peruvian military lead away a hostage released from the Japanese embassy in Lima yesterday

Photograph: Sipa/Rex Features

Armed force could lift Lima siege.

Christopher Bellamy
Defence Correspondent

Counter-terrorist groups from around the world could be involved in an armed operation to release the hostages being held in the Japanese Embassy in Lima, although the large number of prisoners would make a rescue attempt more difficult. It

would only be attempted if the well-organised kidnapers from Tupac Amaru started killing their hostages.

Peru has its own, highly-efficient counter-terrorist group called Dincote – the Directorate of Intelligence for Counter-Terrorism. Led by General Antonio Ketin Vidal, it captured the leader of the

Shining Path, Abimael Guzman and also the leader of Tupac Amaru, Victor Campos, in 1992. Sources yesterday said they believed the current head of Dincote might be one of the hostages.

European and US agencies have been widely involved in South America because of the war against drug barons, and British experts helped advise Colombian police in the rescue of a British hostage earlier this year.

It is likely that experts from Britain's SAS, Scotland Yard and the German GSG-9 army unit are already in Lima. The SAS has experience rescuing hostages in circumstances very similar to those of the Lima embassy siege: the Iranian Embassy siege of 1980, which first brought the black-clad, hooded soldiers to the world's attention. During the five-day operation, both the SAS and Scotland Yard gained extensive experience in hostage negotiations.

The German GSG-9 unit's finest hour was the successful attack on a Lufthansa airliner seized at Mogadishu, Somalia

in 1977 by guerrillas from Germany and Palestine.

The previous year, Israeli commandos from Mossad had rescued a large number of fellow nationals taken hostage at Entebbe, in Uganda.

France also has an outstanding counter-terrorist unit, GIGN, a division of the French Gendarmerie. It differs from the other principal anti-terrorist forces as it is used against armed criminals in France.

Italy also has a crack anti-terrorist squad, a division of the Carabinieri. It performed very competently, rescuing Brigadier-General Dozier of the US Army when he was captured by terrorists in the early 1980s. The Carabinieri come under the Ministry of Defence – unlike the French Gendarmerie – but the Italian unit has not been prominent in international operations since then.

Experts yesterday said the large number of hostages made a rescue more difficult, but it would be no different in principle to other hostage rescue operations. The seizure of the

Japanese Embassy in Lima presents striking parallels with the capture of the Dominican Embassy in Bogota, Colombia, in 1980 by M19, a Colombian left-wing movement. In Lima, the terrorists who seized the embassy posed as waiters: in Bogota, they were playing football in a field opposite the embassy where a similar function was being held. The two teams, referee and linesmen, 25 in all, then donned track suits and sprinted across the road, seizing the embassy and 75 people, including no less than 14 ambassadors. They held their hostages for two months, demanding the release of 300 prisoners and \$50m. Businessmen from the ambassadors' countries eventually raised \$2.5m, and the kidnappers flew to sanctuary in Havana, Cuba with a few of the hostages, who were then released. The kidnappers did not succeed in securing the release of any of the people they wanted freed, but they got away with plenty of money. It was a satisfactory outcome for everyone – but was not secured by a military attack.

Florida 'racketeers' arrested

Fort Lauderdale (AP) — Nine alleged members of the Gambino crime family, including John Gotti's apparent successor, have been indicted on racketeering charges.

The indictment against Mr

Corozzo and the others alleges crimes including loan sharking, transporting stolen goods and the attempted murder of a federal informant, Louis Malone, suspected of stealing money from the Gambino family.

The FBI arrested Mr Corozzo as he emerged from the surf off Key Biscayne. One of Mr Corozzo's top lieutenants, Leonard DiMada, was arrested in New York. Both men were acquitted

with Gotti on racketeering charges in 1987 in New York.

It was the first time an active boss of an organised crime family was arrested in Florida, the FBI said.

According to the indictment, the family ran a loanshark operation from a company called EZ Check Cashing, where loans were extended with credit rates of 2 to 5 per cent a week – equivalent to 260 per cent a year.

Dixons

UP TO 5 FREE CDS

ON SELECTED PERSONAL CD PLAYERS

By redemption. Ask in-store for details.

1/2 PRICE

CD CAR KIT ADAPTOR*
WHEN BOUGHT WITH ANY PERSONAL CD PLAYER
UPGRADE TO IN-CAR CD

Panasonic

SLS238 PERSONAL CD PLAYER WITH DIGITAL ANTI-SHOCK

- Extra bass system.
- 24 track memory.
- Power saving auto shut-off.

Dixons Deal

£99.99

FREE CD

PRICE CRASH ON PERSONAL HI-FI

MATSUI

CD102A PERSONAL CD PLAYER WITH MAINS ADAPTOR

- Extra bass system.
- Programmable CD player.
- Repeat play.

In-store Price £54.99

VOUCHER PRICE

£49.99

SONY

DREX DISCMAN

- Rechargeable battery.
- Batteries supplied.
- Meigs adaptor.
- Digital megabass.
- 22 track memory.

Was £78.99. In-store Price £70.99.

VOUCHER PRICE

£99.99

MATSUI

BSTX40 PERSONAL HI-FI

- AM/FM digital radio.
- 10 station presets.
- Auto-reverse.

Was £24.99. In-store Price £29.99.

VOUCHER PRICE

£22.99

aiwa

HS-0022 SILVER PERSONAL HI-FI

- Multi-sound processor.
- Best boom.

Was £24.99. In-store Price £24.99. FREE BOOGIE BAG

VOUCHER PRICE

£22.99

aiwa

HS-0040 SILVER PERSONAL HI-FI

- 3-way auto-reverse.
- Dolby B noise reduction.
- Best boom.

Was £24.99. In-store Price £24.99. FREE BOOGIE BAG

VOUCHER PRICE

£22.99

Panasonic

RO-X11 SILVER PERSONAL HI-FI

- 1 key remote control.
- Full logic auto-reverse.
- Dolby B noise reduction.

Was £24.99. In-store Price £29.99.

SONY

WM-FX22S WALKMAN

- AM/FM digital radio.
- 30 station presets.
- Dolby B noise reduction.
- Auto-reverse.

Was £28.99. In-store Price £24.99.

SANYO

CDP-455CX PERSONAL CD PLAYER WITH CAR KIT

- Digital and shock.
- Main adaptor.

In-store Price £79.99. 2 FREE CDS

One voucher per purchase. Not for use with other offers. Offer ends Tuesday 24th December 1996. Branch use only – process using outcode 04261.

SONY

D245 DISCMAN WITH DIGITAL ANTI-SHOCK

- Includes mains adaptor.
- Megabass.
- 22 track memory.
- Repeat function.

Was £139.99.

Dixons Deal

£129.99

5 FREE CDS

Dixons

OPEN EVERY DAY UNTIL CHRISTMAS

PRODUCT RECALL NOTICE

Waitrose prepacked Mince Pies

Waitrose 6 Shortcrust mince pies

Waitrose 12 Shortcrust mince pies

Waitrose 6 Luxury mince pies

Waitrose 6 Select mince pies

The mincemeat in a few pies has been contaminated with small pieces of rubber

Customers who have purchased any of the above packs dated before 15 January are requested to return them to us.

A full refund will be given as well as an alternative product.

No other mince pies are affected

Waitrose apologises for any inconvenience that this may cause.

WAITROSE

food shops of the John Lewis Partnership

Waitrose Limited, Bracknell, Berkshire

2015/12/20

Encryption ruling hailed as free speech victory

An American judge has delighted software companies in the United States by ruling that the Constitution's guarantee of "free speech" means that the government may not stop a mathematician from posting encryption programs on the Internet.

The ruling, late on Wednesday in San Francisco, may chip away at restrictions on the export of encryption technologies, which are officially classified as "military weaponry".

Academics hailed the ruling by US District Judge Marilyn Hall Patel as a victory for free speech, while computer industry executives called it a milestone for American software producers.

Daniel Bernstein, assistant professor at the University of Illinois-Chicago, and the man at the centre of the case, said: "It's really such a shock to switch from fear of this law to suddenly maybe I can do something. As far as I can tell, I'm free."

The judge's decision stopped short of forbidding all restrictions on the export of encryption codes that allow computer messages to be scrambled so they are virtually unbreakable by any but the intended receiver.

But Judge Patel said the current rules, which treat such computer programs as if they were military weapons, were "an unconstitutional prior restraint [of speech] in violation of the First Amendment". The First Amendment guarantees freedom of speech and of the press.

Decision may scrap bars to the export of codes on the Internet, writes Charles Arthur

Lawyers said the ruling will allow anyone in the US to post source code, or instructions for how to encrypt messages, on the Internet. However, new federal rules that take effect from 1 January mean the judge's decision may not have the results the industry hoped for, said the Electronic Frontier Foundation, an online civil rights group. It is not clear if the ruling covers only theoretical mathematical explanations of how such programs work or if actual software, which could be run and sold, can also be freely distributed around the world, the group said.

The White House declined to comment on the judgment, although the State Department is expected to appeal. Last year a Justice Department lawyer argued in court that a code whose sole function was to create secrecy should not be considered a protected form of speech. A message scrambled by the code, he said, "could be a love letter, or it could be a communication from [Iraqi President] Saddam to bomb Kuwait."

Professor Bernstein's victory marks a triumph for the US Constitution over its government. Restrictions on the export of encryption techniques were introduced in the Cold War.

More recently, the US and other Western governments, have argued that the restrictions are needed to keep tabs on terrorist organisations. This allows the export only of "weak" encryption programs, which while effectively impossible for individuals to crack, are probably not safe from a government-owned supercomputer.

Allowing more powerful encryption programs to spread unchecked, would make it impossible to track conspiracies and criminals, they have argued.

US software companies and citizens have complained that the restrictions handicap them, and that online shopping, international banking and corporate negotiations would benefit from having high-level encryption, which could be used, and sold around the world.

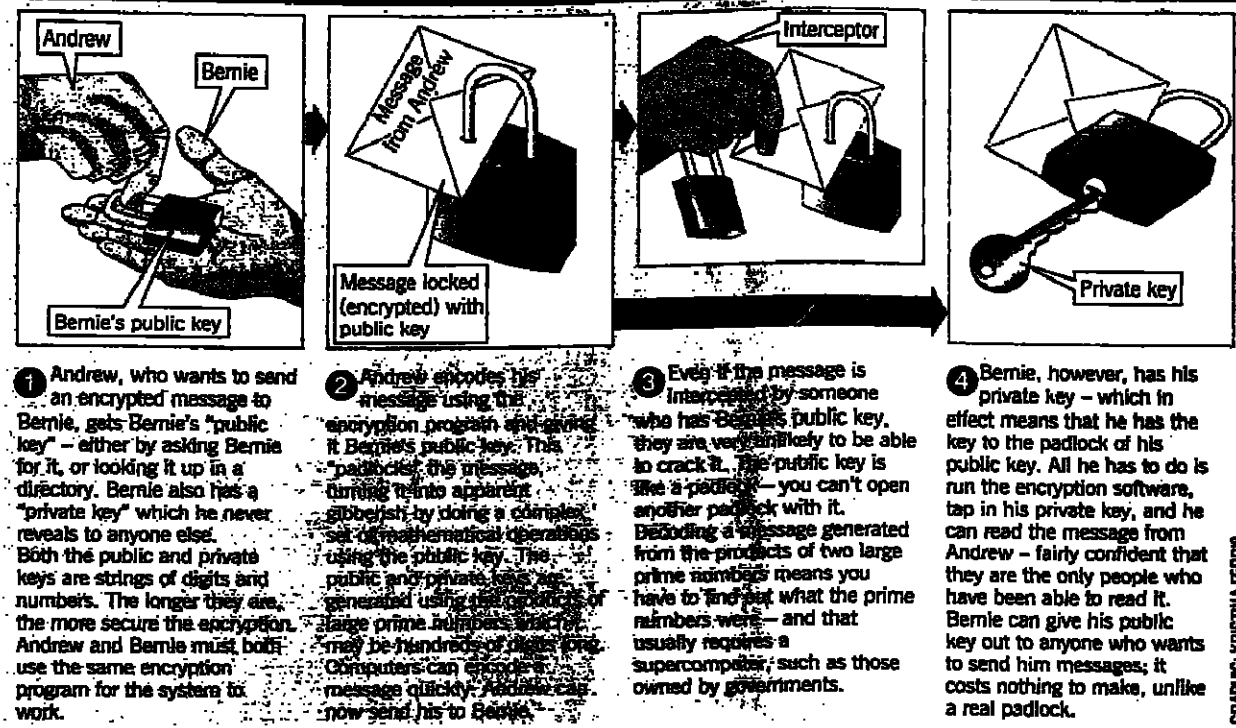
Last month, President Bill

Clinton signed an order liberalising US export policy, to allow companies to sell slightly more powerful encryption programs abroad, but only if the companies make assurances that US law enforcement could intercept the communications.

Professor Bernstein came to the State Department's notice when he wrote an encryption program called Snuffle. This allows users to scramble messages that move across computer networks. The messages can then be read only by using his decryption program, Unsuffle. The State Department decided in 1993 that the programs required licenses to communicate them on the Internet, prompting the lawsuit.

Judge Patel noted the office that makes the licensing decisions has no standards for denying a license. The president and chief executive of RSA Data Security, the world's largest producer of encryption technology, praised the ruling. "We invented this technology but we can't pursue it because of US export controls," said Jim Bizio.

How modern computer encryption keeps its secrets



Judge Patel: 'Current Rules violate First Amendment'

significant shorts

Chechens in tribute to Red Cross victims rejected

Scores of Chechens dressed in black gathered outside the Red Cross compound near Grozny yesterday, a day of official mourning for the six agency workers murdered by gunmen in Chechnya.

And with the separatist republic still reeling from the brutal attack, there was a second mass slaying when six Russian residents of Grozny, were gunned down in their homes. A £60,000 reward has been offered for information leading to the killers' arrest. *Grozny - AP*

Israel in strike at Hizbollah

Israeli jets raided Hizbollah targets in south Lebanon after guerrillas fired mortar bombs at an Israeli post during a visit by a senior officer, security sources said. Maj-Gen Amiram Levine, Israel's northern commander, was said to have been at the Braachit post on the edge of Israel's south Lebanon occupation zone when it came under attack. *Nabatieh - Reuter*

Mafia suspect indicted

Nine alleged members of the Gambino crime family, including John Gotti's apparent successor, have been indicted on racketeering charges, police in Florida said. Nicholas Corozzo, 56, has allegedly been running the crime family now that Gotti is serving a life sentence for murder. The indictment against Corozzo and the others alleges crimes including loan sharking, transporting stolen goods and attempted murder. *Fort Lauderdale - AP*

Tennis star's £10m claim rejected

Tennis star Monica Seles failed yesterday in a bid to win damages from the German Tennis Federation for a knife attack by a spectator which kept her out of the sport for more than two years.

A court rejected her claim that security measures at the Hamburg Open in April 1993 were inadequate, allowing her attacker to jump from the stands and plunge a knife into her back. Lawyers for Seles had claimed £10m for damages and lost earnings. *Hamburg - Reuter*

Top Russian physicist dies

Yuli Khariton, the Cambridge-educated nuclear physicist widely regarded as the father of the Soviet atom bomb, died yesterday at the age of 92. Khariton's body will be flown from the town of Sarov in central Russia, where he died, to be buried at Moscow's elite Novodevichy cemetery. *Moscow - Reuter*

Bardot denies racism charge

Animal-rights activist Brigitte Bardot denied in court yesterday that she incited racial hatred by claiming in a newspaper article that France was being invaded by sheep-slaughtering Muslims. The charges against the former actress - which carry a punishment of up to a year in prison and a £40,000 fine - were brought by the Movement Against Racism, the League Against Racism and Anti-Semitism and the Human Rights League. *Paris - Reuter*

IT'S A CRACKER

A Corby Trouser Press is an inspired Christmas gift. It makes both giver and receiver look good. Choose from a range of models and finishes starting from around £76. **CORBY TROUSER PRESS** JUSTIN REED • BENTALLS • SELECTED BOUTIQUE MENSWEAR • HANDBOOKS • HOUSE OF FRASER • CASH LEAS PARTNERSHIP • SELFIDGES • ON FOR OTHER STOCKISTS CALL FREE 0800 220 251

RoC Retinol reduces wrinkles. Vogue recommends it. Cosmopolitan praises it. We guarantee it.

If you've ever wanted to reduce the signs of ageing, now you can. Voted "Best anti-ageing product of 1996" by Vogue, and one of the best beauty buys of 1996 by Cosmopolitan, RoC Retinol Actif Pur is a genuine breakthrough now available in Britain.

What's more, we're confident that this formula will work for you.

In fact, we guarantee that you'll notice an improvement within four weeks and a long term reduction in wrinkles after twelve weeks.

At RoC we're confident that you'll find this treatment a genuine breakthrough, but don't just take our word for it.

As Cosmopolitan said "It really works."

Wrinkles reduced in 12 weeks. Guaranteed.



HYPO-ALLERGENIC WITHOUT PARFUM

FOR YOUR NEAREST RoC STOCKIST PHONE (01235) 824323

Swiss 'should repay Nazi war gold'

Louise Jury

An official report on post-war deals on Nazi gold yesterday criticised the way the Swiss government and bankers handled the accounts of Holocaust victims.

The report's authors said the Swiss government had made repeated mistakes in handling the issue and should take "concrete compensation measures".

However, they did not specify what the measures should be, or who should benefit. The two historians, Peter Hug and Marc Perrenoud, were commissioned by the Swiss government in October to investigate claims by Jewish critics and an American senator that Holocaust victims' riches were used to compensate Swiss citizens whose property was seized by countries in eastern Europe.

They rejected the charge that Swiss people were paid directly from the money of Nazi victims. But they confirmed that the Swiss government had made pay-outs to Poland and Hungary after the war.

They urged the government to use its comprehensive archives to hunt for east Europeans whose wealth was declared ownerless and handed over.

"Considering the decades of omissions, it is recommended that further steps be considered in order to fulfil today's perception of justice," the report said.

It added that Switzerland assigned funds from dormant accounts to Poland and Hungary under post-war compensation accords for confiscated Swiss property. The money helped both countries meet compensation payments, but this was not tantamount to paying off Swiss citizens, it said.

Switzerland paid Poland 16,000 Swiss francs in 1960 from accounts the Poles

claimed under international law as reverting to them since the missing owners had last lived in Poland.

In 1975, it paid Poland a larger sum of 464,000 francs and Hungary 325,000 francs based on the same home-country claim, but this time the money came from a 1960s fund for bank accounts left unclaimed after their owners became victims of Nazi persecution.

Switzerland has faced a growing wave of international criticism following the release of documents in the US and Britain apparently suggesting it profited from Nazi-looted wealth.

The British MP, Greville Janner, vice-president of the World Jewish Congress and chairman of the Holocaust Educational Trust, has already called on Switzerland to make a significant gift to Jewish charities in recompense. A trust spokeswoman said yesterday it was clear from the Swiss report that names of account holders had been known.

"A priority must be to reveal the names and they must do it for all the accounts. They must start looking for their heirs or survivors and if they cannot be found then the money in the accounts should be given to the World Jewish Restitution Organisation," she said.

The report was published yesterday as Switzerland finally named the nine-member team of experts who will begin an investigation next month into the country's activities during the Nazi regime.

The commission will be headed by Jean Francois Bergier, a history professor from Zurich. It includes three other Swiss historians and a Swiss lawyer and human rights investigator, Joseph Vovayme. There are also four foreign historians, including the Israeli Saul Friedlander.

Conscripts who don't measure up must fight the flab in Belarus



Wait in line: A doctor checks a conscript's centre of balance at a recruiting centre in Minsk, the capital of Belarus, 42 per cent of whose military conscripts have been declared unfit for service because of poor health

Photograph: Vasily Fedosenko/Reuters

Taiwan sues over Clinton slush-fund claim

Stephen Vines
Hong Kong

"We must have a hit a raw nerve", says Ying Chan, a New York-based journalist who is facing an unusual criminal libel suit filed by a leading member of Taiwan's ruling Kuomintang party, backed by President Lee Teng-hui.

The raw nerve was a story in the Chinese-language news weekly *Yazhou Zhoukan* alleging Liu Tai-yang, a leading Kuomintang official, offered an illegal \$15m (£10m) contribution to President Bill Clinton's re-election fund. Mrs

Chan believes Taiwanese contributions to the Democratic Party dwarf the controversial funds supplied by the Indonesian Lippo group.

Also named in the suit is her Taiwanese colleague, Hsieh Chung-liang, and Chen Chao-ping, a political consultant who has now stated he was the main source for the story. Mr Chen was one of four people present at the meeting with former White House aide Mark Middleton during which the money was allegedly offered. Mr Chen was not named in the story but has decided to go public.

There has been no legal action from the Democratic Party, which faces a growing number of accusations of illicit funding from Asian sources. US parties are not permitted to obtain funding from abroad. "This story is like a centipede", says Mrs Chan. "There are so many legs, every week brings new information".

She would like to get back to reporting it, but has been waylaid by the criminal libel suit, which carries a maximum penalty of two years in jail as well as fines. The action is also extremely costly. Mr Liu, who launched the suit, is Chief Fi-

nance Officer of the Kuomintang, one of the world's richest political parties. Although the party has financial muscle, it is not a regular litigant. The Kuomintang is not named in this suit but is behaving as a participant by having its spokesman comment on aspects of the case and by calling a meeting of its central committee to endorse the action.

Far more unusual is the endorsement given by President Lee, who usually remains aloof from matters of this kind.

"This is clear legal and political harassment", says Mrs Chan, who is in Hong Kong to

attend a libel seminar and consult legal advisers. She is preparing for another hearing on 28 January and hopes this will provide an opportunity for Mr Liu to withdraw the action.

The pro-Kuomintang media suggest Taiwan is entitled to all means at its disposal to gain influence overseas in the face of diplomatic isolation and China's efforts to keep the island out of the international arena. So-called "money diplomacy" has long been a mainstay of Taiwan's foreign policy. But the government denies that it resorts to illegal means to win friends with the chequebook.

Parents deride sex and violence codes

Rupert Cornwell
Washington

After years of pressure from the government, America's television industry yesterday announced the first-ever classification system for its programmes. But even before it was unveiled, critics insisted the new scheme was too lax to be effective.

The voluntary code, which will take effect in the next two months, is closely modelled on the existing classification system for films. Six categories will apply to all entertainment programmes, ranging from "TV-G", or suitable for all ages, to "TV-MA", for people aged 17 and over. All children's programmes will be labelled either "TV-Y", suitable for all children, or "TV-Y-7", recommended for children aged seven or more.

The logo will appear in television listings and guides, and be shown for 15 seconds in the top left-hand corner of the screen at the start of each programme. It will be repeated during programmes lasting an hour or longer, only news and sport will be exempt.

The guidelines however were instantly denounced by children's advocacy groups, who argue they are far too vague on a programme's contents. Unlike film classifications, set by an independent body, the TV categories will be decided by the TV companies themselves - a process critics liken to putting a fox in charge of the chicken-coop.

Parents' organisations are demanding specific gradings for sex, violence and bad language. "What parent in their right mind would accept a package at the front door labelled 'suitable for a 10-year-old' and hand it to a child without further inspection?", said Gary Bauer, head of the conservative Family Research Council.

But Jack Valenti, President of the Motion Picture Association of America, said the industry would only accept its own voluntary system, and would fight any alternative in the courts.

Freixenet



That little
black number
you get out for
any occasion.

This Christmas, give him something he'll probably never use.

Our 90 day money back guarantee.



We know it's difficult buying Christmas presents for men. After all, how many pairs of socks can one man wear?

So if you're having problems with your Christmas shopping, may we suggest the Braun Flex Integral shaver?

It's the only shaver to include a 90 day money back guarantee. So if he doesn't like it - for whatever reason - we'll happily take it back.

We're pretty sure he'll appreciate it, though.

After all, it's the best shaver we've ever made. Its unique pivoting head is specifically designed to follow the contours of the face. The result is our closest shave yet.

And, with models ranging from £49.99 to £119.99, it should be easy enough to find one that suits him.

Of course, you could play safe and get him another pair of socks this year.

But just try returning them to the shop after 90 days' use and see what reaction you get.

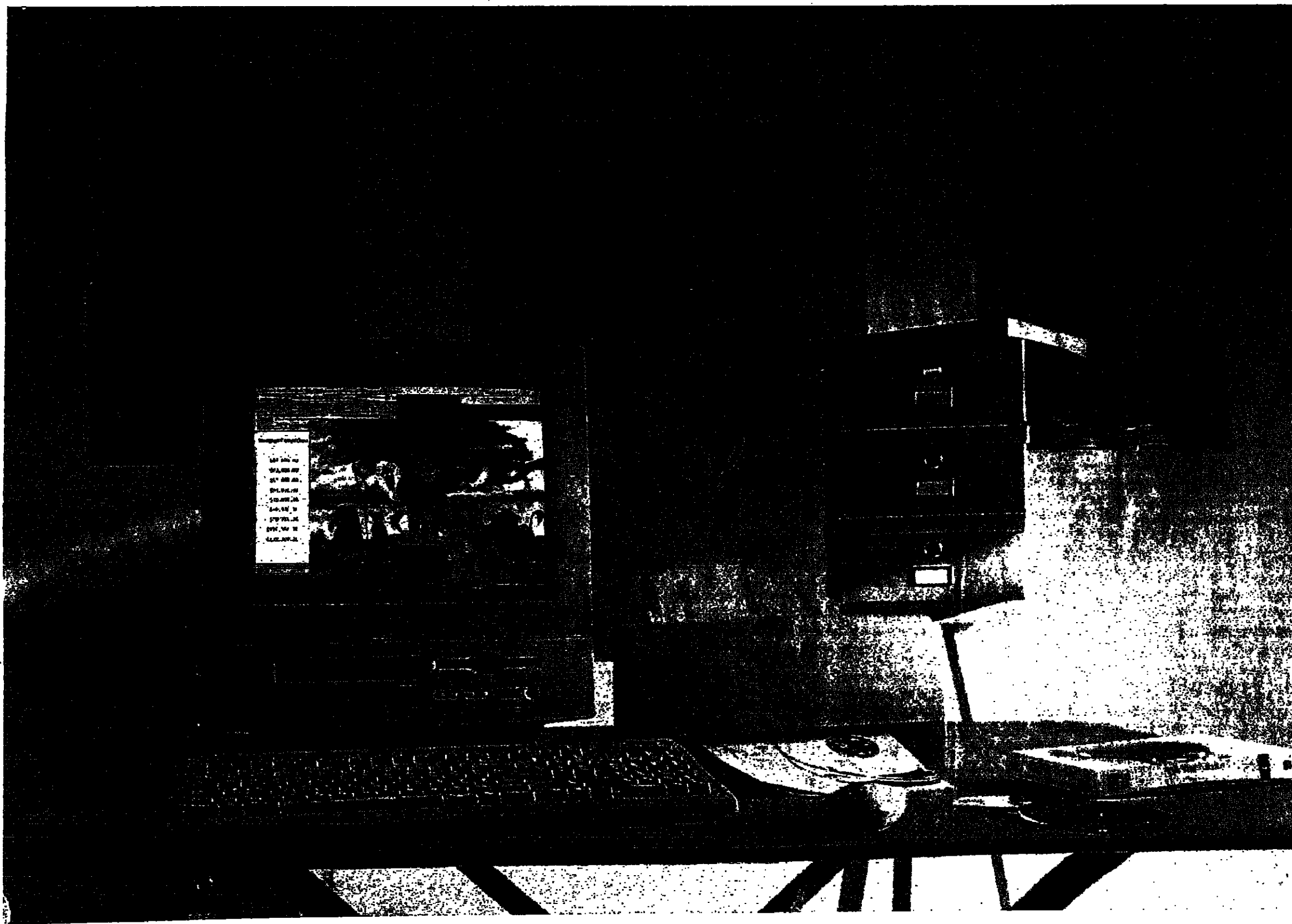


Freixenet House, Wellington Business Park, Dukes Ride, Crowthorne, Berkshire RG45 6LS. Telephone: 01344 758 500 Fax: 01344 758 509
<http://www.freixenet.com>

2012/12/20

مركز الاعلام

Macintosh Performa.
So easy to use
that we don't need to
sell you one...



 Apple

Virgin's image reflects religious fervour in Clearwater

Clearwater, Florida (AP) — Carrying rosary beads and cameras, thousands of worshippers are flocking to the wall of a black glass building where they believe they see the image of the Virgin Mary.

"It's quite amazing. It's very spiritual, very peaceful," said Patty Schorn, a receptionist at Seminole Finance, the two-storey building in central Clearwater where the rainbow-coloured image was first noticed on Tuesday. Some said they drove 200 miles from south Florida for a glimpse.

"People are making shrines, bringing gifts, candles, flowers, statues. Some have been overwhelmed and fainted," said police spokesman Wayne Shelor. "We have the infirm, the disabled in wheelchairs, the blind. They're coming 500 at a time."

The image, about 50 feet wide and 35 feet tall, bears a striking resemblance to a mantle-covered figure, head slightly bowed. It stretches across nine panes on the outside of the building. Shades of purple, blue, yellow and green wash across the mirrored surface like a stained glass window, swirling into a robe-draped figure with downcast head.

No one had an explanation, but glass experts planned an inspection to determine if chemicals or mineral deposits from sprinklers caused it.

Joe Mannion, a spokesman for the local Roman Catholic Diocese of St Petersburg, urged caution. "Everyone should exercise a great deal of healthy scepticism."

But believers needed no explanation. "To them it's a Christmas miracle."

"It was like you're in an angel's arms and the light of Christ was above and around me," Barbara Boyer said of her experience.

Businesses nearby say the image has been developing since the Thanksgiving holiday in late November. But it was not until Tuesday that a customer asked if it had been painted on the glass.

"Nobody painted anything," Ms Schorn said.



Bleak mid-winter for Bethlehem, with no tree in the square

Eric Silver
Bethlehem

It looks as if the little West Bank town of Bethlehem will have to do without a tree this Christmas.

The good Christians of Finland sent a 12-metre fir to stand in Manger Square across from the Church of the Nativity, Jesus's traditional birthplace. When it arrived at Ashdod port this week, the Israeli authorities refused to let it into the country.

Bethlehem has been under Palestinian self-rule for the past 12 months. Since the Palestinians have no port, imports from Europe have to pass through Israel. The Finnish tree was sent back on the next boat.

The mayor of Bethlehem, Elias Freij, yesterday condemned the ban as "narrow-minded and provocative". Israel sent an Israeli replacement. Mr Freij promptly sent it back. "It was dead," he said indignantly. "I told them to throw it away."

The Israelis say they stopped the Finnish fir on purely public health grounds. Eldad Landes, director of plant protection

services in the Ministry of Agriculture, said it was forbidden by law to let foreign conifers into Israel.

"The risk," he explained, "is that the trees might carry insects or fungus that don't exist in this country. They could endanger all our forests and our agriculture. The Finns have been aware of this ban for five years now. They wouldn't let us send Israeli trees to Finland for the same reason."

Mr Landes added that Israel was ready to give Mr Freij another tree if the first offering was not to his satisfaction. "Of course," he said, "he won't accept it. It's all politics."

The 78-year-old mayor has political problems this Christmas on the home front too. Palestinian activists have strung pendants across Manger Square with the portrait of Abu Jihad, co-ordinator of Palestinian resistance in the West Bank and Gaza Strip, who was assassinated by Israeli commandos in Tunis in 1988.

Abu Jihad is a Palestinian folk hero, but he has nothing to do with the infant Jesus. "These

pictures are against the Christmas spirit," Mr Freij, member of the Greek Orthodox church, protested. "We are going to take them down."

Similar portraits of Yasser Arafat, however, will stay up. The Palestinian President, a devout Muslim, is coming to Bethlehem with his Arab Christian wife, Suha, for midnight mass on Christmas Eve.

Bethlehem's second Palestinian Christmas promises to be a bleak affair. According to Mr Freij, who has been mayor for 25 years, the hard-up Palestinian Authority has given them nothing for the celebrations. No organised Christendom.

But the mayor is nothing if not an optimist. He is looking forward to 2000, a Christian year. Next spring he plans to launch a \$200m appeal in Europe and the Americas to make the run-down, neglected old city worthy of the millennium.

Till then, the good Christians of Bethlehem are sending a Father Christmas to distribute presents in Manger Square next Tuesday night. God rest you merry, gentlemen.

Santa strapped for cash

Abigail Schmeiz
Reuter

Stockholm — Santa's little helpers have downed tools at North Pole post offices in Greenland and Iceland, leaving piles of children's Christmas letters unanswered and thousands of dreams unfulfilled.

Carefully penned letters full of Christmas requests which are sent to Santa every year by children from all over the world have fallen victim to government spending cuts.

"Kids can send a letter to Santa but they won't get an answer," Siri Kveller, of the San-

ta Claus of Greenland Foundation said. "The more letters we answered, the more we got and we simply can't afford it."

Two years ago, official funding for the project was withdrawn and the service stopped. Now the letters are put into storage — mostly unopened.

Children who address their letters to "Santa Claus, North Pole, Iceland" probably won't have much luck either. The state-sponsored Icelandic tourism board, which once answered the letters, was forced by budget cuts to stop the project about 15 years ago.

An organisation called North Pole in Iceland, has taken over some of the job and is campaigning to make the country Santa's "rightful home". Sweden, Finland, and Canada also claim residency rights.

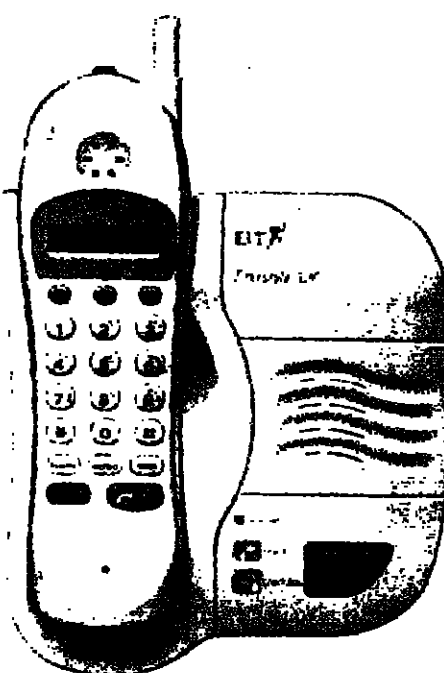
Children who write to the Finland address have a better chance of getting a reply, but even then it is luck of the draw. The post office's Santa project received 600,000 letters this year and staff say it is impossible to answer them all.

The spirit of Christmas lives on in Sweden, however. The post office receives up to 80,000 letters a year and each one is answered with a small gift.

Give something that's bound to get a good reception.

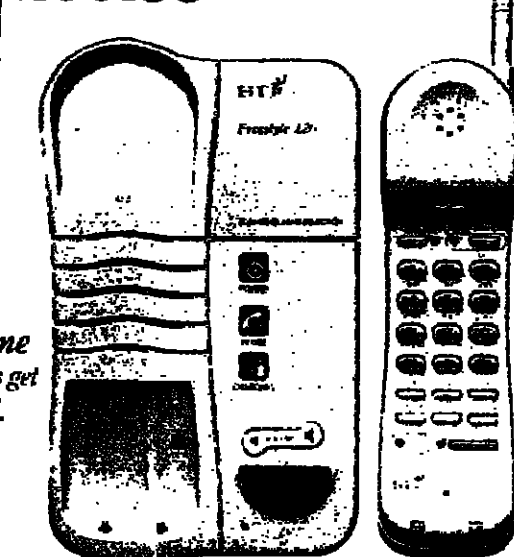
Freestyle 80 Cordless Phone
Background noise reduction.
Up to 100 metres range, including an out-of-range warning.

£79.99



Freestyle 320 Cordless Phone
Add up to 3 extra handsets at £39.99 each.
Hands-free dialling. Intercom from base to handset.

£99.99



Freestyle 120 Cordless Phone
8 Channel auto selection which helps get the clearest reception. Backlit keypad.
Intercom from base to handset.

£89.99



Freestyle 1100 Cordless Phone
Combined with a digital answering machine.
Voice prompts to aid set up.
Remote access.

£129.99

BT It's good to talk

From BT. Presents that say a thousand words.

ALLDERS, ARGOS, BT SHOPS, COMET, CURRYS, DIXONS, HOMEBASE, JOHN LEWIS PARTNERSHIP, MILLER BROTHERS, NORWEB, OFFICE 1, SEEBOARD, TEMPO, THE LINK AND ALL GOOD INDEPENDENT RETAILERS.

520 100 100

inter
with no
square

1 for cash

2.

But we have plenty of dealers who will help you buy one.

*Buy the Family Macintosh today and claim the Apple Magic Collection Vol.2 by Disney Interactive free. Plus save 50% off an Apple Colour StyleWriter 1500.**

LONDON

Albion Computers
53-55 Mortimer St, London,
W1N 7TD
0171 631 5305

Apple at Harrods
Harrods (3rd Floor),
87-135 Brompton Rd, London
SW1X 7XL
0171 730 1234

Babel Systems
7 Goldhawk Mews, London
W12 8PA
0181 749 8222

**Chromasonic Computer
Centre**
Chromasonic House,
2 The Crest, Hendon, London
NW4 2HW
0181 203 6989

Gasteiner Technologies
18-22 Sterling Way, Edmonton,
London N18 2YZ
0181 345 6000

Micro Anika
13 Cheries St, London
WC1E 7ET
0171 636 2547

MicroRent
St. Marks Studios,
Chillingworth Rd, London
N7 8QJ
0171 700 4848

PM Systems
782 Garratt Lane, London
SW17 0LZ
0181 672 1241

System Solutions
The Desktop Centre,
17-19 Blackwater St,
London SE22 8RS
0181 693 3355

Tasha Computers
120 Chiswick High Rd,
Chiswick, London W4 1PU
0181 994 7424

Tasha Computers
290 Kensington High St,
London W14 8NZ
0171 602 9444

Trams

47-51 Gillingham St,
London SW1V 1HS
0171 544 1300

SOUTH EAST

1st Temptation Computers
29/30 Watling St, Canterbury
01227 764455

ADM Computing
24 Lower Bridge St, Canterbury
01227 450200

ApplePoint Thames Valley
1 Mackenzie St, High St, Slough
01753 518866

CIC Software
26 High St, Mersham, Redhill
01737 644829

Clocktower
Storford Rd, Little Hadham
01279 771038

Computer Sense
Grovelands Business Centre,
Boundary Way,
Hemel Hempstead
01442 252555

Datacore Consultants
319a Broomfield Rd, Chelmsford
0245 261578

GDN Associates
23 Manor Rd, Hastings
01424 714110

Express Graphics Systems
Unit 14, Pelham Court
Business Centre, Crawley
01293 416416

Flame
12 Kings Park, Primrose Hill,
Kings Langley
01923 270171

Hussey & Greaves
94 Hutton Rd, Shenfield,
Brentwood
01277 226262

**Network Computer
Consultants**
Farncombe House,
16 Market St, Lewes
01273 487702

ME Electronics
4 Weighbridge Row,
Cardiff Rd, Reading
01734 500551

Network Professional
110 Queens Rd, Brighton
01273 748083

Performance Direct
Kingfisher House,
160-162 High St, Egham
01784 477088

Solutions Incorporated
200 Portland Rd, Hove
01273 203333

SRS Systems
Unit 1 Belvue Business Centre,
Belvue Rd, Northolt
0181 841 1800

Thames Valley Systems
1 Southern Court, South St,
Reading
0118 9581829

The Mac Express
10 Lawrence Rd, West Wickham
0181 462 5626

**Universal Advanced
Technology**
Ullswater Crescent Industrial
Estate, Marpit Lane, Coulsdon
0181 763 5000

Viewdata Computing
Central House, 124 High St,
Hampton Hill
0181 943 3922

**SOUTH
Island Computer Systems**
41 Horsebridge Hill,
Parkhurst, Isle of Wight
01983 821717

Lan-U-Like
12a Sandheath Industrial
Estate, Old Beckyard Rd,
Sandheath, Fordingbridge
01425 657905

The Music Corporation
The Market Place, Ringwood
01425 470007

**CHANNEL ISLANDS
Guernsey Computers**
33 Commercial Arcade,
St. Peter Port
01481 728738

**EAST ANGLIA
AppleCentre Cambridge**
Unit 5, Clifton Court, Cambridge
01223 247111

Electronics for Publishing
Suite 2, The Old Church,
St. Matthews Rd, Norwich
01603 767574

Hussey & Knights
Graphics House, 60 Bethel St,
Norwich
01603 761030

**Peterborough Computer
Systems**
5 Milnyard Square, Bakewell Rd,
Orton Southgate, Peterborough
01733 370606

**SOUTH WEST
AM Micro Distribution**
Roman Court,
48 New North Rd, Exeter
01392 426473

Computer Capability
14 Oaktree Place, Matford
01392 207620

LP & TS Publishing
14 Camelot Court, Somerset
01458 274528

Tantra Computers
48 Kensington Park Rd, Bristol
01179 724708

Tavy Typesetting
42 Brook St, Tavistock
01822 615007

Servo Computer Services
6 Manaton Court,
Manaton Close,
Matford Business Park, Exeter
01392 201300

Western Computers
Victoria House, Temple Gate,
Bristol
01179 225661

**MIDLANDS
Adams Computers**
High St, Sutton Coldfield
0121 3549222

Bedford Computers
31-33 Tavistock St, Bedford
01234 271113

C J Graphic Supplies
90 Newtown Row, Birmingham
0121 3334448

Celtic Computers
Lower Mill St, Kidderminster
01562 822222

KRCS
Queens Court, Lenton Lane,
Nottingham
0115 9505352

**Leicester Computer
Centre**
1 Jarrom St, Leicester
0116 2556268

PCM Technologies
Midland House,
3rd Floor, New Rd, Halesowen
0121 5890191

Sidwell Technology
48 Dorridge Rd, Dorridge,
Solihull
01564 775775

Tack Associates
18 Chester Rd North,
Sutton Coldfield
0121 3537625

**WALES
Blaenachddu Computer
Centre**
Capel Iwan, Newcastle Emlyn,
Carmarthenshire
01559 371219

Copystat (Cardiff)
Norbury Rd, Fairwater, Cardiff
01222 566133

Hi-Mach UK
The Church House,
Hawkesbury Rd, Buckley
01244 549563

MacWestern
Longcross Court,
47 Newport Rd, Cardiff
01222 465656

Vonian Print Technologies
The Media Centre,
Ivor House, Bridge St, Cardiff
01222 222555

**NORTHERN IRELAND
CEM Computers**
CEM House,
Victoria Business Park,
West Bank Rd, Belfast
01232 556677

Office Overload
24 William St, Dungannon
01868 727323

Firebird
Unit 67 Enterprise House,
Balloo Avenue, Balloo
Industrial Estate, Bangor
01247 274141

**NORTH
ABC Microcore**
99 High St, Gosforth,
Newcastle Upon Tyne
0191 2131212

AppleCentre Warrington
Gemini Business Park,
244 Europa Boulevard,
Westbrook, Warrington
01925 444499

Direct Memory
98 Grosvenor St, All Saints,
Manchester
0161 274404

F B Brown
Mary St, Manchester
0161 6611000

F B Brown
Elmhurst Lane, Dodworth,
Barnsley
01226 777111

F B Brown
Farrington Rd, Burnley
01282 830000

Hi-Tec Computer Services
Cliffe House, Prospect Rd,
Bradford
01274 626379

**Holdens Computer
Services**
The Mansions, Chapel Lane,
Longton, Preston
01772 615512

**Jennings Computer
Services**
133 Victoria Rd, Scarborough
01323 374196

LCS (North West)
Orchard House, Castle Garth,
Kendal
01539 741777

**Newcastle Computer
Services**
Beville House, Ponteland,
Newcastle Upon Tyne
01661 803000

PA Business Services
10 Hardhorn Way,
Poulton-le-Fylde
01253 899144

ReSolution
Unit 7 Rother Court,
Barbot Industrial Estate,
Rotherham
01709 523535

Semaphore Design (Systems)
Progress House,
22 Pilgrims St, Liverpool
0151 7087101

The Apple Studio
Castlegate Quay,
Stockton on Sea
01642 679000

Tomorrow's World
25-33 Paragon St, Hull
01482 324887

**SCOTLAND & THE
ISLES
AppleCentre Dundee**
Suite 3, Grianan Building,
Dundee Technical Park,
Dundee
01382 561110

AppleCentre Edinburgh
14/16 Holyrood Rd, Edinburgh
0131 5575995

AppleCentre Scotsys
Riphead Industrial Park,
Bellshill, Strathclyde
01698 846001

CMYK Digital Solutions
42-44 Swanfield,
Bonnington Rd, Edinburgh
01315 555252

Carpe Diem Solutions
Unit 2,
The Port Dundas Business Park,
100 Borron St, Glasgow
01413 339901

Inverness Mac Shop
44 Swanston Avenue, Inverness
01463 221770

FP Systems
Templandshaw, Sorn, Mauchline
01290 551543

The Computer Shop
169 Commercial St,
Lerwick, Shetland
01595 694744

**MAIL ORDER OUTLETS
Camelot**
Unit 2, 10 William Rd,
London NW1 3EN
0171 383 2727

Computer Warehouse
9 Hamon St, London NW8 8PR
0171 724 4104

Dabs Direct
Direct House,
30 Wingates Industrial Park,
West Houghton, Bolton
0800 680000

**Gordon Harwood
Computers**
New St, Alfreton
01773 836781

Jigsaw Systems
The Old Mill, High Church St,
Nottingham
0115 9422990

MacLine
Mill House, Mill Lane,
Carshalton
0181 401 1111

MacWarehouse
Unit 6, Walsey Business Park,
Tolpits Lane, Watford
0800 801936

Mygate
Unit 11,
Southbrook Industrial Estate,
Southbrook Rd,
London SE12 8LG
0800 0181424

The Mac Zone
Genesis House, Mernw Lane,
Guildford
0800 393106

OTHER OUTLETS
The Macintosh Performa
range is also available from
hundreds of other Apple
Resellers and Retailers
nationwide.

For details of other Macintosh
Performa stockists not listed
here, call the Apple
Information Centre, free on
0800 234800.




Macintosh Performa systems are available from Apple Authorised Resellers and Retailers nationwide, including selected branches of Comet, Currys, Dixons, John Lewis, PC World and Timpco. The Apple Magic Collection by Disney Interactive. © The Walt Disney Company. All rights reserved. © December 1995. Apple Computer, Inc. The Apple logo is a registered trademark of Apple Computer, Inc. and is used under license. These offers are only available from participating stockists at time of purchase. Offer period 15 November - 31 December 1995. The Colour StyleWriter 1500 offer only applies when an Apple Family Macintosh (Performa 5000 only) and Colour StyleWriter are purchased in a single transaction, during the offer period. When purchased together, a 50% discount will be applied to the stockist's full selling price of a Colour StyleWriter 1500. The Apple Magic Collection Vol. 2 must be claimed by completing and returning a claim form together with proof of a qualifying purchase. Please allow 28 days for delivery, following posting of a claim. Full terms and conditions are available from stockists on request.



**Professor
Dragoslav
Srejovic**

Professor Arthur Jacobs



Births, Marriages & Deaths

Ban on Amnesty radio advertising upheld

Paul Magrath, Barrister

• This is the last law report for the Michaelmas Term. Law reports resume at the beginning of the Hilary Term, on 13 January 1997.

Paul Magrath, Barrister

• This is the last law report for the Michaelmas Term. Law reports resume at the beginning of the Hilary Term, on 13 January 1997.

Let children sing carols and light the menorah

Herald angels sing in David's City, shepherds watch poor men gathering winter fuel, and a Birmingham maths teacher gets upset. The sight of Muslim children singing Christmas celebration songs proved rather too much for one Muslim teacher. Israr Khan cried out to Allah, the audience started booing, and Christian parents took offence. Hardly a great start to the season of goodwill.

Given the ongoing discrimination against Islam in Britain's schools, it is perhaps unsurprising that one fervent Muslim decided he had heard one "Oh Little Town" too many. The Government still insists - inappropriately - that all schools hold a daily act of Christian worship. And although the state funds Catholic schools, Church of England Schools and Jewish schools, there are still no Muslim schools with government financial support.

Even so, for all that there may be genuine Muslim gripes against the hold of Christianity over state education, the Birmingham maths teacher went too far. There is nothing wrong with a good Christmas sing-song, and most families, whatever their religion, should be glad for their children to participate. School carol services tread a narrow line between being an act of Christian worship, a cultural celebration and educational experience. But so long as they tumble out on the right side of that line,

they should be a great experience for all the children concerned.

Forcing children to worship a foreign faith against their own or their parents' wishes certainly isn't acceptable. But nobody does that. All parents are at liberty to withdraw their children. Nor can schools get away with assuming all their pupils are Christians these days. Teachers are mostly acutely sensitive to the different belief systems and cultural backgrounds of the pupils in their care.

Indeed, most schools already handle the modern clash of cultures admirably. The fact that the Government insists on state schools holding a daily act of Christian worship does not make life easier. Compulsory Christian gatherings are inappropriate in most schools, where children come from all kinds of religious backgrounds, and many parents either don't believe in any God at all, call him by a different name, or have very strong views within a particular strand of Christianity.

In practice, though, most schools sensibly sidestep the problem, by playing up the moral, ethical and cultural side of assemblies, and playing down the belief. The procedures for opting out of the daily religious gathering are explicit and well known, so no child of another faith need endure hymn-singing and Jehovah-guiding if they don't want to. So while it would be far better if our state schools were secular institutions, as they are in France and

the US, there is little point in drawing up battlelines over the issue.

Religious education is quite another matter. Learning about other religions and cultures, whether we choose to believe in them or not, is an essential part of a rounded education. RE is rightly a legal requirement. Christians should learn about Islamic traditions, Hindus about Jewish culture, and so on. Perhaps most important of all, totally secular children should have the chance to learn what it is they don't believe in.

Moreover, to understand truly other religions and cultures, we need to know not just what other people



ONE CANADA SQUARE CANARY WHARF LONDON E14 5DL
TELEPHONE 071-293 2000 / 071-345 2000 FAX 071-293 2435 / 071-345 2435

fiable statements that you can choose to accept or reject.

The Christmas theatrical tradition in Britain twists back centuries, through pantos, mystery plays, mummers plays and nativities: the lessons are cultural as much as they are religious. As Mark Santer, the Bishop of Birmingham, points out, Christmas enters the minds and imaginations of the most secular Brit. not through discussion or lecture, "but by the telling and hearing of stories, by the repetition of familiar carols and hymns, by looking at pictures. None of these describes the mystery of Christmas in a way that is either literal or exhaustive. All are more or less allusive or symbolic". Other religions should be taught and experienced in the same way. Christian children can learn much from lighting the candles at Hanukkah, or watching the televised *Mahabharata*, the epic of Hindu stories.

But most schools know this already. They treat religious festivals as opportunities to educate, not to force worship. Many go to great lengths to accommodate the sensitivities of different religious groups. The words of Christmas carols are changed to avoid references to "the son of God," for the birth of Jesus was after all the birth of a Muslim prophet. The Birmingham school at the centre of this week's religious clash celebrates other festivals such as the Festival of Light and Ramadan, as well as Christmas.

Mr Khan, the maths teacher, should have sat through the carol concert and enjoyed the singing, rather than perceiving the Christmas songs as a threat to his own religion. And equally he should have looked forward to drawing the entire school into his own religious and cultural celebrations at other times of year. Still, perhaps Mr Khan's outburst is actually all the proof we need that our cultures and traditions are not really that far apart. After all, we all get frayed and fractious at Christmas.

Big brains but no common sense

My ivory tower is taller than your Varsity matches, the Boat Race, and many another ancient rivalry. Oxford and Cambridge are at it again. Oxford came top of the first research table for universities. But Cambridge think it's a cheat. Oxford only entered 91 per cent of its academics for assessment, while Cambridge entered 98 per cent. Oxford should have come third. But we shouldn't worry too much about precisely which came top: the most important thing is, the ratings confirm what we have always known: not even the best Oxbridge brains can come up with an answer everyone accepts.

• LETTERS TO THE EDITOR •

Labour props up elective dictatorship

Sir: Yesterday I believed that the incorporation of the European Convention on Human Rights was one of the reasons why a Blair government might be preferable to a Major government. Today I learn ("Labour looks less liberal as power looms", 18 December) that, under Labour, when judges discover a breach of the convention all that will happen is that "consideration will need to be given by the government of the day and Parliament as to what action should be taken". This is boringly similar to the words of the old royal veto: "The King will take thought of it."

The purpose of constitutional reform is to control an elective dictatorship whose power has got out of hand. Constitutional reform is no more than better dressing of a shop window. It remains true, as Alan Beith said in 1991, that the Liberal Democrats are the only party willing to come into power committed to reducing their own power.

Earl RUSSELL
House of Lords
London SW1

Sir: As the Labour prime minister responsible for the "winter of discontent", Lord Callaghan ("Labour fooled by the Tories, Callaghan says", 19 December) should be the last person to advise Tony Blair on New Labour's future relationship with the trade unions. If Labour gets defeated at the next general election, it will not be due to what the New Labour has or has not done, but because the Tories will, for the nth time, show the television footage of the "winter of discontent" and the unforgettable images of London streets littered with mountains of purring garbage and cemeteries with unburred bodies.

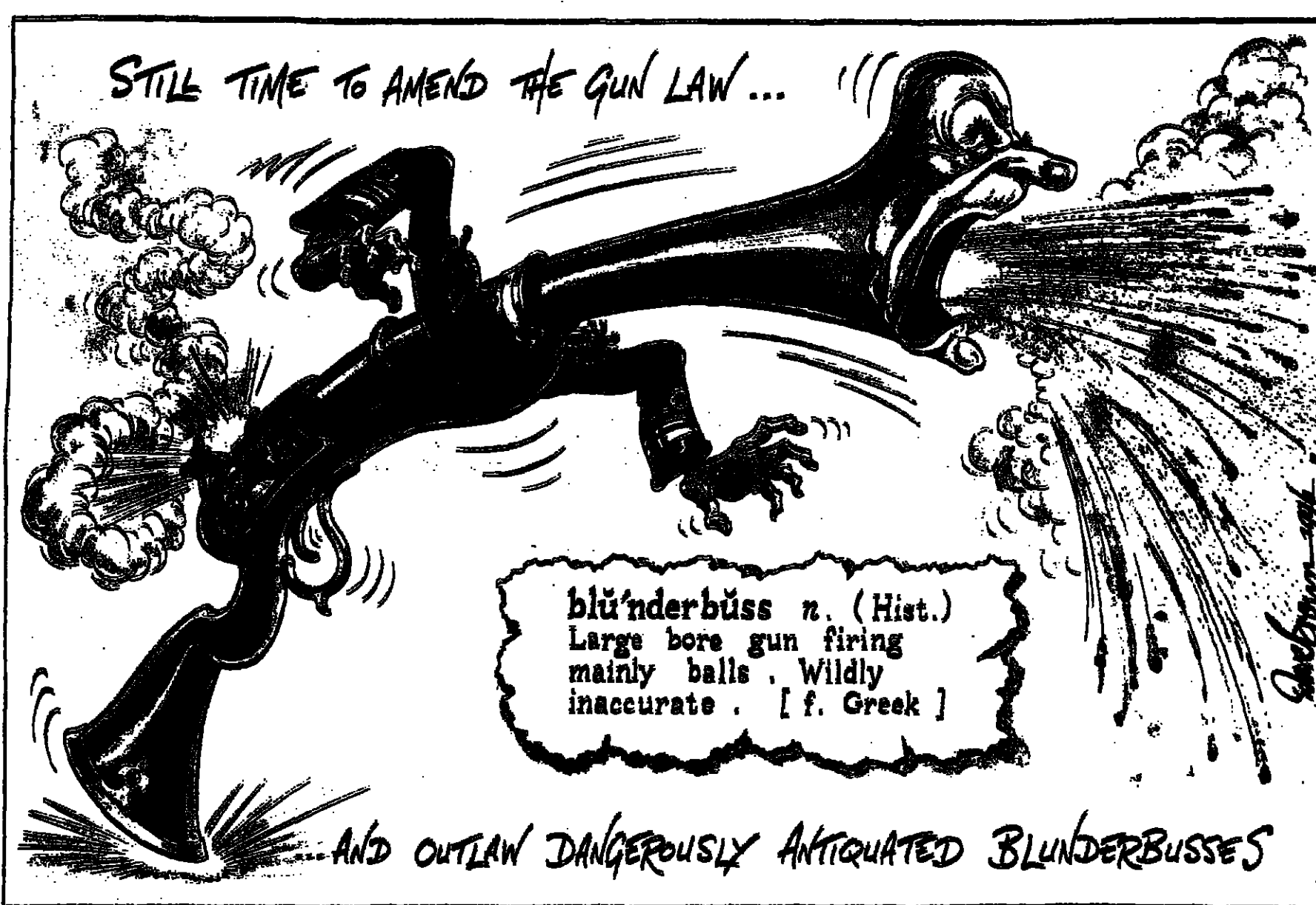
Thank you, Lord Callaghan, for your advice!
M RIAZ HASAN
Harrow, Middlesex

Sir: Yet again a crack at Slough - this time in a millennium suggestion that it be destroyed (Letters, 18 December). Your correspondent R P Heinemann must never have been here - or had his or her eyes shut. How else is it possible to miss our spectacular Richard Rogers-designed Learning Resource Centre at Thames Valley University (featured in your pages), our 14th-century manor house, Upton Court, the exquisite St Michael's Church and a host of other buildings - ordinary maybe, but not eyesores.

Slough does have its less attractive areas, and too many people live in overcrowded homes. The solution is not wholesale destruction but the release of housing capital money to allow councils to build again. This will only happen when we have a Labour government - which will be an occasion for real celebration.
FIONA MACFAGGART
Labour Parliamentary Spokesperson
Slough, Berkshire

Our jackpot

Sir: My husband and I have come up with a way of winning £2 on the lottery every week. We write our numbers down without buying a ticket and then pray the numbers don't come up.
YVELAINE ARMSTRONG
Narberth, Pembrokeshire



Gays need not fear growing old

Sir: Your correspondents (16 December) have missed the point of the *Anti-Gay* debate. The issue is how to make gay/homosexual life meaningful. It is to do with ageing in a subculture that is dominated by (white middle-class) men who seem to spend their whole lives in discos, bars and gyms.

Mainstream gay culture's reaction to the issues *Anti-Gay* addresses is understandable because it reminds these folks that life under 30 is not infinite and that the failure to provide meaning for ourselves for the time after 30 is crucial.

There are too many young people who have decided to "live fast and die young" because they cannot fathom the idea of being gay and old. Aids educators will know what I am talking about. The point is not getting a life but getting a meaningful life. Current gay culture effectively creates a void filled with drugs, discos and gyms but fails to address these issues.

Despite this, I'll stick to being gay because I will not accept the box the medical profession invented for people like myself some hundred years ago.
UDO SCHUKLENK
Preston, Lancashire

Sir: As a gay man and a lover of real cask beer I take exception to Desmond Coughlan's letter on gay bars and good beer (18 December). Maybe his local bar does sell a good pint of Guinness - which is a stout, not a beer anyway - but it is still fizzy pasteurised stuff. There is a strong element of macho lager-drinking in some strands of gay culture but this should not distract from the fact that there are plenty of lesbians and gay men who like cask-conditioned beer.

The fact that to drink it we have to go to bars that welcome people of all genders and sexualities - provided they like a decent, well-kept pint - is probably no bad thing either. Neither lesbians and gays nor Camra members need ghettoising or censoring.
KEITH FLETT
London N17

Sir: I had thought that *The Independent* would be spared the attentions of that busy band of correspondents who believe that the phrase "get a life" is both the height of wit and the ultimate rebuttal. Imagine my horror when I discovered Dr Alan Bullion's missive of 16 December. I beg you, do not permit Bullion and his fellow cliché-grinders room on your letters page. One fears that if thus encouraged they will never gain the wisdom to take their own advice.
C PRESTON
London

Tory barbarians

Sir: You argue that Labour party policy on education is superior to that of the Tories, who are (you sardonically suggest) committed to grammar-school black gowns, canes and Latin verbs (leading article, 16 December).

Really? I think you need to *versu* your vice and mutate your *mutanda*. Mr Blunkett announced only recently that he hopes to develop specialist language schools in every area, so that Latin and Greek (and a larger range of modern languages) can be encouraged. Tory educationists have been no friends to the great ancient languages.
Dr PETER JONES
The Co-ordinating Committee for Classics
Newcastle upon Tyne

Peril of fat in the wrong places

Sir: Whilst one might understand the need for Jerome Burne to offer some Christmas cheer to the "circumferentially challenged", the assertion that being fat is healthy is a good example of how a superficial acquaintance with complex biological data can lead to wholly incorrect conclusions ("Something Big", 16 December).

Scientific evidence strongly supports the view that being overweight is associated with an increased risk of various diseases, including coronary heart disease (CHD), the second leading cause of mortality in this country.

This is primarily because obesity is associated with various adverse metabolic factors such as high blood pressure (hypertension), high blood cholesterol, physical inactivity and diabetes - all powerful, independent risk factors for CHD. In other words, being overweight is of importance because of its association with other risk factors; if these factors are absent, being overweight is very much less important.

The problem is that a simple measurement of body weight provides only very crude information. Recent evidence suggests that the way in which fat is distributed may be the more important factor. There is an important distinction between android (central) obesity and gynaeoid (peripheral) obesity. Gynaeoid obesity is associated with an exaggeration of the normal feminine fat distribution, ie fat deposited on the hips, thighs and buttocks. Although women spend a huge amount of time, money and

effort in trying to rid themselves of this fat, it is actually metabolically inert and not associated with a significantly increased risk.

In contrast, android or central obesity, the most common manifestation of which is the protuberant belly in men, is strongly associated with a variety of coronary risk factors, including high blood cholesterol, diabetes and hypertension. So the key issue is not simply whether one is carrying too much fat, but where the fat is distributed. Both Marilyn Monroe and Jane Russell were good examples of "voluptuous" women, with low-risk peripheral fat distribution.

Being fat is never healthy. The only comfort is that people can be fat in different ways, some of which are harmful and others of which are not.

Dr DAVID ASHTON
Cardiac Medicine,
National Heart & Lung Institute,
Imperial College School of Medicine
University of London

The best ways to treat trauma

Sir: The Health and Safety Executive (HSE) does not intend to fund two police forces to provide post-incident trauma counselling for their officers ("Police to get post-disaster counselling", 17 December).

However, HSE hopes to commission a critical review of research on the management of

post-incident trauma with a view to producing general advice for all employers. We are currently considering a number of proposals including one from Glasgow Caledonian University, which is currently working with Strathclyde Police and the Royal Ulster Constabulary.

Post-incident trauma can affect not only those caught up in major disasters but also employees in day-to-day incidents such as workplace accidents. Guidance for employers on how best to manage post-incident trauma will not only help employees, it will also minimise the costs incurred by both employers and the National Health Service.
Dr PETER GRAHAM
Director of Health Directorate
Health and Safety Executive
London SE7

Pay fair price for green electricity

Sir: The decision to offer a subsidy to schools to install an array of photovoltaic (PV) cells under the Solar scheme is to be commended ("Solar power gets a plug in 100 schools", 14 December).

However, this must be seen in the context of the adverse market conditions under which renewable energy operates. The buying-in rate for individual private generators is roughly one-fifth the price paid for electricity by the average domestic consumer. Only when heavily subsidised by the non-fossil-fuel obligation (NFFO)

is renewable energy anywhere near competitive.

At the same time the NFFO is heavily biased towards wind power. This is a misuse of the NFFO, since it is effectively subsidising the electricity generators by enabling them to avoid paying a market price to private generators. It ensures that private generation is inherently uneconomical, helping to secure the energy utilities' monopoly position.

It is another instance in which the UK stands apart from its EU partners, who offer market rates to private generators. The NFFO was designed to promote the development and wider use of renewable energy whilst also lowering energy demand, for example by making low-energy lightbulbs more comparable in cost to conventional bulbs.

In the long term this penalising of private generators could backfire on the energy utilities. As the technology of PVs etc improves and their cost falls, and as storage technology develops, private generators will find it cost-effective to be independent of the grid. Already there are energy-autonomous buildings in existence, which should sound alarm bells in the marble halls of the energy utilities.

If we are serious about curbing carbon emissions, this is an anomaly which must be rectified as a matter of urgency.
Professor PETER F SMITH
Chairman, RIBA Environment and Planning Committee
London W1

Save Skye from helicopters

Sir: Mountains provoke strong emotions in many people. The proposed development of tourist helicopter flights in the Cuillin of Skye ("Skye distress at threat from the skies", 12 December) has raised passions in the mountaineering community that I have rarely seen.

Although small in height, these mountains create the sense of being in a truly wild place that is both dramatic and very beautiful.

Many thousands of people who love the Cuillin will be outraged at the possibility of helicopters being allowed to destroy such a rare and precious environment for the sake of profit. This is the ultimate in "quick fix" tourism, and this case will set a precedent which will determine whether our most precious landscapes really are safe from exploitation.

We can only hope that passion will be enough to save these mountains.
JEREMY BARLOW
Access & Conservation Officer
British Mountaineering Council
Manchester

Restart the week

Sir: Could we not start by sorting out a single calendar for the millennium? (Letters, 18 December) For some years now one version has portrayed the week as Sunday to Saturday; the other Monday to Sunday. There is no earthly reason why all those perverse printers cannot create the same week.
ROBERT VINCENT
Andover, Hampshire

Post letters to Letters to the Editor, and include a daytime telephone number.
Fax: 0171-293 2056; e-mail: letters@independent.co.uk.

E-mail correspondents are asked to give a postal address. Letters may be edited for length and clarity.

Out of touch – by definition

Dukes don't mix with ordinary people, they just shake hands with them, so we can hardly be surprised when Prince Philip fails to understand their worries about a gun culture, says Paul Valley

You have the advantage of me. By now you will have heard – or had the opportunity to hear – the Duke of Edinburgh holding forth last night on Radio Five Live on the question of Dunblane and cricket bats.

Let me insist at once: I would not have wanted to listen to what he said before writing this, even if the BBC had kindly sent me an advance tape. (Presumably they sent one to somebody to judge by the row in yesterday's newspapers). I have decided rather to enter into the spirit of the man himself, who makes a habit of wading in joyously unprepared and ill-informed, his prejudices streaming behind him like unfurled banners in a glorious old film of royalty as it should be.

Let me declare my own prejudice. I rather like the curmudgeonly old cove with his impatience, his lack of tact and his unerring ability to deliver an epithet of unfailing political incorrectness in any given situation. He also keeps us journalists in work, prompting *The Sun* to one of its more inspired offerings: his characterisation of the Chinese as "slitty-eyed" on a visit to Peking was headlined "The Great Wally of China".

Having said that, perhaps the time has come when the 75-year-old Duke ought to be advised to alter the description in his passport under Occupation from "Prince of the Royal Household" to "retired". Let me explain why.

I met the Duke of Edinburgh once. I met him, though I'm not sure that he met me. I was the lowliest reporter in *The Times* newsroom when the Queen and the Duke came to visit. Worthies were lined up to meet the visitors. I was told to get on with my work. As a consequence, when Philip arrived I was the only person in the entire newsroom actually typing anything. The Duke, naturally enough, ignored the official line-up and came over to see me.

"You have to be able to type pretty fast, I suppose," he pronounced. It was not the most profound of conversational gambits. Had I been the oldest occupant of the newsroom doubtless he would have said: "You must have seen some changes in your time." As consort to the monarch he is doomed to a lifetime of these brief inanities.

Who can wonder that from time to time something indiscreet pops out? And whenever something does he can rely on us loyal subjects of the fourth estate to re-chronicle his greatest hits from 50 years of public life.

He began in 1947 when, newly engaged to the heir presumptive, he asked a railway signaller about his promotion prospects: on being told it was a case of dead men's shoes Philip replied: "Just like me!" Next there was the time he asked the loyal subjects of the Cayman Islands, "Aren't you all descended from pirates?" and said in

Canada, "We don't come here for our health. We can think of other ways of enjoying ourselves."

Then there was his observation at the height of the recession in 1981: "Everybody was saying we must have more leisure. Now they are complaining they are unemployed." In 1993, visiting Lockerbie, where 11 people on the ground had been killed by wreckage from the PanAm jumbo-jet bomb, he tactlessly observed: "People usually say that after a fire it is water damage that is the worst. We are still trying to dry out Windsor Castle." And in 1995 he asked a Scottish driving instructor: "How do you keep the natives off the booze long enough to pass the test?"

In part it is tactlessness. In part it is that he does not give a bugger (sorry, ducal language is infectious). But in the main it is that he is, almost by definition, out of touch with the mood of the British public. The Duke does not mix with ordinary society; he just shakes hands with it.

Take what he said about Dunblane last night (OK, so I have read a transcript). "Look," he said, "if a cricketer, for instance, suddenly decided to go into a school and batter a lot of people to death with a cricket bat, which he could do very easily, I mean, are you going to ban cricket bats?"

To which Beverley Birnie, whose six-year-old son Matthew survived the shootings at Dunblane, replied: "How many people can you kill in three-and-a-half minutes with a cricket bat? It is not the same as an automatic gun. You have to be realistic. I suspect he [the Duke] is coming from a world where guns are part of his life. But I am from a world where I have never seen a gun, never held one. I never had a reason to think about them."

Guns are as everyday a part of Prince Philip's life as cricket bats, probably more so. It is his failure to make the leap in imagination from his own position to the one occupied by the vast bulk of his wife's subjects which is significant.

It is a failure of his age – the House of Lords was last week full of other elderly aristocrats opposing gun law reform with anecdotes about their boyhood relationships with their gamekeepers. It is a failure of his class – none of those surrounding the royals seemed able to explain to them the distaste of the general public at the "blooding" of Prince William when he killed his first stag recently. It is a failure of the institution of monarchy itself, with its desperate attempt to combine tradition with modernity – so that its modern image seeks to encompass pomp, concern about the environment and cowering on distant ski slopes even in the days when the rest of us were immured in the feel-bad factor of recession.

Who but a royal could be surprised that gaps open up between public and courtly perceptions, with the public complaining when no royal attended the 1989 Lockerbie memorial service or visited the devastated centre of Manchester after the 1995 IRA bomb. Or that the Duke's son Charles is bewildered when he confesses on television to adultery and finds that the public give him no Brownie points for honesty. Or that this week people find faintly risible the fact that his other son Andrew has been despatched to Manila for talks with President Fidel Ramos on military and economic ties between the Philippines and Britain. Randy Andy?

Of course paradox has always been part of the charm of the energetic man who unhappily finds himself permanently defined by a wife and son more important than himself. Philip was the foreign prince whom the old-Etonian couriers of King George VI described as "rough, ill-tempered, undisciplined and probably would be unfaithful" to the then Princess Elizabeth (interesting that for all the dirt-digging of the tabloids, and the predations of the US biographer Kitty Kelly, no evidence of his much-murmured infidelity has ever been produced).

He is the president of the World Wide Fund for Nature who shoots things and supports the legalisation of the ivory trade. He is the tireless worker for a vast array of charities – from playing fields for children to care for ex-servicemen – and yet he is popularly assumed to be careless of the sensitivities of individual human beings.

In the end it was the cricket bat which did for him. The full text of his radio remarks are a sensible enough contribution to the debate on gun control which the House of Lords has chosen to extend after the Bill's swift passage through the Commons. He made the point that the members of shooting clubs are as individuals no more dangerous than members of a golf club. He argued that there are always going to be unstable people who are going to do monstrous things but that "taking it out on the rest of the population" is not necessarily the most rational of reactions. He insisted that his kind of shooting – game shooting – was a social activity which helped to maintain a balance in the environment. And he warned that laws made in electioneering haste may be repeated in more dispassionate leisure.

However, it was the grotesque piece of imagery he conjured – of a child being beaten to death with a cricket bat – which was so singularly inapt and inept.

To think of the Queen coming up here and laying a wreath at our school and then hearing her husband say something like this sickens me," responded Ann Pearson, one of the anti-gun Snowdrop Campaign organisers.

The politicians, of course, have had a field-day. Tony Blair was characteristically Janus-faced: "He is entitled to his views and obviously we in the Labour Party have a different position on that," he told BBC's *Breakfast News*.

The shadow Scottish Secretary George Robertson put his finger on the real problem. Robertson, whose children attended the same Dunblane school, said on the BBC's *Today* programme: "The views of one elderly aristocrat, based on a completely crazy view of a comparison between a cricket bat and a rapid-fire handgun, is not going to deflect Parliament from doing what it believes to be right in the interests of public safety."

But he did not restrict himself to dismissing Prince Philip as "an eccentric individual" whose comments had damaged his credibility enormously. He added: "I think these remarks are going to be counter-productive, because they will remind people that this argument is still going on and the House of Lords may well be planning to inflict defeats on the Government."

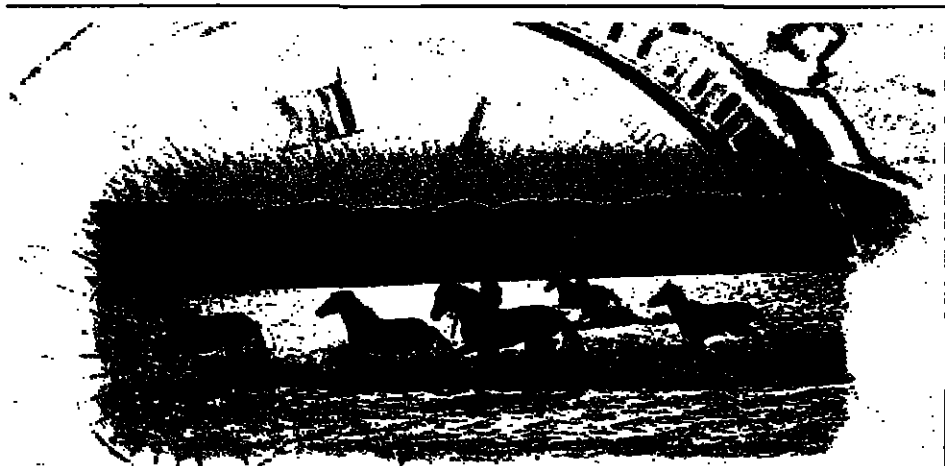
It was not just the Duke of Edinburgh's inability to resist the colourful phrase and dramatic comparison which is most revealing. It is his inability – like that of his peers in the Lords –

to grasp that for the British public the argument is over. Most people understand the arguments about the need to balance the rights of minorities with the common good. They accept that most gun owners are responsible individuals.

But most of the public, having no personal vested interests in the gun world, have performed a risk/benefit analysis and its conclusion is clear. And it is not just a response to Dunblane. Handguns, public opinion is clear, contribute towards a wider culture of violence in contemporary Britain. And events over the past year – from Dunblane, to the campaign by Frances Lawrence, the widow of the murdered headmaster, to the whole host of incidents which daily soil the pages of our fear-hungry newspapers – have persuaded people that it is time to act.

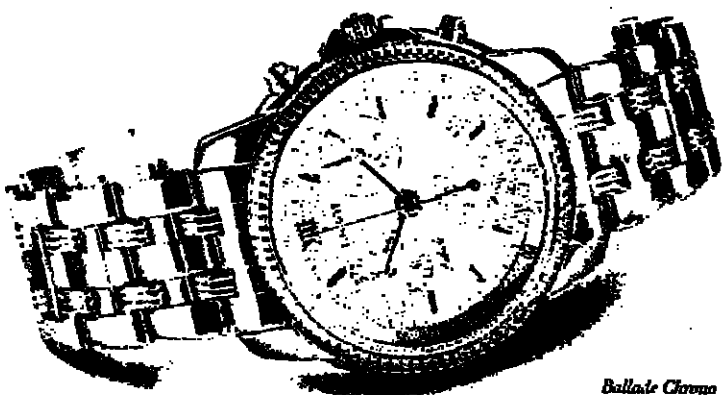
Perhaps only a gunman could not see that. And Prince Philip if he is anything is a gun man. Only two months ago he was provoking an outcry by declaring shooting "an intelligent leisure activity" for children. Over the past 30 years the Duke of Edinburgh has shot, it is estimated, a tiger, two crocodiles, 60 wild boar, countless stags, rabbits and ducks and at least 30,000 pheasants. Perhaps if he had restricted himself to clubbing them to death with a cricket bat the world would be a safer place.

The Prince has failed to make the leap of imagination from his own position to the one occupied by his wife's subjects



watch the world

The world is becoming smaller. Distances are diminishing. No matter how varied different cultures may be, we are all citizens of the blue planet. In 142 countries all around the globe, people rely on Tissot watches. For instance, on the Tissot Ballade Chrono: enticing elegance harmoniously combined with a sporty touch. Watch Tissot and watch the world.



TISSOT
Since 1853

For more information contact 01753 611122

To boldly go in search of lost meaning

I have a large staff here at *The Independent* whose task it is to constantly monitor the English language for changes of meaning and to covertly insert split infinitives into my articles to gratuitously give offence to over-sensitive language mavens.

Incidentally, I first came across this word maven in a column in the *Herald Tribune* by the American writer Russell Baker, and finally discovered, after buying and selling a lot of dictionaries, that it was a Yiddish word meaning expert or connoisseur. I have since then seen it quite often in columns by Russell Baker, but have never heard the word used in my life. Whenever I have tried to use it, people either ignore me or say, "Mabel! What Mabel? I don't know anyone called Mabel!" So much for the supposed joys and advantages of a rich vocabulary. All my life I had been encouraged to believe that increased word power was a benefit. The opposite is true. All that is achieved by a rich vocabulary is to gradually isolate you from your fellow humans.

(Another split infinitive there! You're working well today, lad!) In fact, the large and industrious staff I have here at *The Independent* to help monitor changes in language inform me that our vocabulary is, if anything, becoming poorer, with many words being marginalised and ghettoised, and suffering income deprivation.

They point, for instance, to the word "personality". You may find this hard to believe, but the word "personality" for a long time meant nothing more or less than "personality" – in other words, it referred to people's character, and by extension to people who had a lot of character. "He's got real personality!" we would say. Or, "He's a real personality!" meaning that he was flamboyant or magnetic or charismatic in some way.

Now, however, it has been devalued by the BBC and others in their strange use of the word in their Personality of the Year competitions, notably the BBC Sports Personality of the Year competition, which is traditionally won by the sports person who has the



Miles Kington

least visible personality, and whose collected interviews would make a cure for insomnia.

Curious, I asked my large and industrious staff if they had any other examples of words being shunted down a linguistic siding like this, and after they had raised their eyebrows at my old-fashioned use of railway imagery ("Are there any sidings left in Britain? Does anything get shunted into them?" says the pencilled note from my large and industrious staff. "We strongly advise you to use car-linked imagery from now on."), after that rap on the knuckles, they gave me a

short list of doubtful word usage which I found so thought-provoking that I thought I would park it on the forecourt and see if the public wanted to test-drive it. Here we go then.

Quote There was a time when "quote" was a slangy word for "quotation". The *Oxford Book of Quotes*, we would say. Either way it referred to a phrase or saying or line of verse that had become so well-known it had entered the language. Nowadays, "quote" simply means anything that any celebrity has said recently, interesting or not. "I have a quote from you a couple of days ago," says Ned Sherrin to a guest on *Loose Ends*, and it doesn't mean that he has encountered a thought-provoking phrase that has gone into the language during Friday, it simply means that Sherrin's large and industrious staff of researchers have found a line in an interview with the guest that may well bear reheating and re-serving, even though the guest invariably doesn't remember saying his or her "quote".

Period Period furniture or period houses could,

formerly, come from any period as long as it was recognisably of that period. Now, the word applies only to TV drama and always refers to Georgian times. The word "costume" is going the same way.

Lottery Used to mean a risky gamble in a bad sense, like driving on black ice. Now it means a national entertainment that gives the Government an excuse for not supporting the arts.

Gurn Used to mean an Eastern wise man. Now it refers to someone who goes on TV and talks about modern fashions, usually with the addition of "Style".

Celebrity Used to mean someone who was very famous. Now means a) someone who used to be famous, OR b) someone who has been on *Call My Bluff* at lunch-time, OR c) someone who has played a part in a TV soap opera OR d) someone who doesn't actually win awards himself but gets to open the envelope containing awards for other people.

More dodgy words soon, including input, synergy, dysfunctional, lad, etc!

Sweden's welfare meltdown has lessons for Labour

STOCKHOLM — On the surface all is glitter. The city is dressed for Christmas with fairy lights, the streets are full of evening shoppers, and the restaurants are packed with office parties singing (actually rather doleful) communal ditties. But the Swedes are worried.

They are worried about unemployment, for despite three years of decent growth, headline unemployment is still nearly 8 per cent, and if you add in state-paid, make-work schemes to keep people off the register, it would really be about 15 per cent. They are worried about social exclusion: the way the gap has widened between professional dual-income families and blue-collar no-income families. They are worried about stagnation in the standard of living even of people in jobs, for despite economic growth, consumption is only inching upwards, less than 1 per cent last year, about 1.5 per cent this.

"People of my age," explained a 35-year-old professional, "cannot earn enough to think of buying a second home. So we all have to spend our holidays in our parents' ones." In the land that 25 years ago was indubitably the richest in the world, this is a hardship indeed.

To cap all this, the Swedes are worried that the government, despite the advice of an official commission that looked at the proposition, might join the single currency. This gives a certain solidarity with Britain, for Swedes vie with Brits as the most sceptic of the European family of nations. According to the polls there is a solid majority against joining the single currency, and perhaps more surprisingly since Sweden has only been a member of the EU for less than two years, an apparent majority who wished she hadn't joined in the first place.

But there is a crucial difference. In Sweden, opposition to Brussels comes mainly from the left, not the right. The fear is not the British worry that the EU will impose onerous regulations that will undermine the competitiveness of industry, but rather that EMU membership will require deregulation, particularly of the labour market.

Beyond this there is a wider fear that the closer integration into the EU will undermine the still-elaborate social security system, of which most Swedes remain understandably proud. There is a deep fear that this system, the most extreme version of it in Western Europe, will have to be cut back in a much more radical way than it has to date. True, there have been cutbacks in the funding of the welfare state, cuts in hospitals and day-care nurseries. True, opponents claim the pruning has protected the administrators while hitting the front-line staff, a familiar complaint. But it is still remarkably universal.

The problem is affording the welfare state in an ageing society. There are interesting implications here for a future UK Labour government. The practical question is this: can a



Hamish McRae

An ageing population, joblessness and low growth are forcing a left-wing government to make painful cuts

centre-left government, as in Sweden at the moment, re-fashion a welfare system more effectively than a government of the right, because it has more sympathy towards its aims and is therefore more trusted?

The answer seems to be "maybe not". There is in Sweden a powerful arithmetical problem that confronts any government seeking to push through reforms. Some 8.8 million people live in the country. At any one point, 6.7 million of those are not recipients from the social welfare system. The other 2.1 million pay in. Self-evidently, they have to pay in proportionately more per head, and these payers, at a different stage of their life, may well become recipients. But in practical voting terms the arithmetic is always in favour of higher spending. Only when the government cannot borrow more, because the interest rates become prohibitive as happened in the early 1990s, is reform forced on it. As a result the cuts imposed by the previous centre-right coalition have largely been maintained by the present government.

Opposition to these cuts has been mounting in recent weeks. The government faces something of a populist rebellion. Helena Rajaniemi, a woman with no previous political profile — "an unmarried mother of four" said a friend who is one

of the 2.1 million net payers — led a demonstration of 4,000 in the Stockholm streets which received enormous publicity. There is a conflict within the labour movement, which in general supports the government. It is hard for the outsider to judge, but if anything the opposition to reform seems to be gaining ground.

The harsh reality is that the government has no option but to continue cutting its deficit: the discipline of the financial markets applies here as elsewhere. As the country continues to age — fewer people of working age, more pensioners — the underlying tax/spend balance will continue to move against the people. Explaining this, even to an electorate as well-educated as Sweden's, is a desperately difficult task. I suspect a UK Labour government would find itself in exactly the same bind.

This leads to an uncomfortable conclusion. Even with enormous public spending — above 50 per cent of GDP — you cannot stop rising inequality. A lot of people in Sweden, and not just on the left, are deeply concerned about this. For Sweden's easy egalitarianism is something special and attractive. If you cannot spend money to fix problems, what do you do? Boost skills? Change behaviour? And if that is not enough, what then? How Sweden will continue to come to terms with this conundrum matters to us all.

One idea being mooted here is that they may start to rebuild the family — to take back from the state some of the functions of the family which it has assumed over the two previous generations. This is not a moral agenda, but simply a financial necessity.

What's wrong with the BBC today ...

by Polly Toynbee



Staff clamp their hands over their mouths and claim intellectual castration. And it shows in the output

The *Today* programme is the flagship of the BBC, the bearer of its standards and so the slot that politicians fight to dominate. It speaks with the voice of the BBC, often setting the national news agenda and yesterday it featured the Director General himself.

For that reason, if we wish to analyse the state of the BBC's soul, this is the place to shine the torch into its eye. What better time to probe the BBC than in the week it has secured almost all it expected in its new licence fee deal? As it happens, yesterday's *Today* programme presented an uncomfortable snapshot of some of the ideological problems that now face the BBC.

As a former employee, I have many close friends in News and Current Affairs and I know how wearisome outside carping can be. I supported John Birt's reforms: he saved the BBC from bankruptcy, which would have delivered it into the hands of its many political foes. It is difficult to criticise the BBC even mildly without risking joining the ranks of those enemies.

So what was wrong with yesterday's *Today* programme? First there was the calamitous Personality of the Year vote, which should have been abandoned long ago. The Blair vote-rigging debacle exposed what everyone always knew: this farago only tests which interest groups have the fastest fingers on their telephone buttons. The list of candidates is long on victims, short on sense. John Major? Anne Atkins (the air-head right-wing evangelical actress currently the *Telegraph's* agony aunt)? Apart from the Bismarck opposition leader, the rest are all crime victims or their representatives, a sympathy vote.

You could say this was just unwise foolishness. But solemnly allowing this charade to proceed speaks to a deeper malaise.

The BBC, as national broadcaster has to be neutral, it thinks. To be sure it must treat each political party fairly, but that does not mean it has to be neutral on everything else that moves and breathes. It should not be neutral between absurd arguments and serious ones. It is not "fairness" to give nonsense equal airtime in the name of balance. The dreadful "Thought for the Day" slot was at its worst yesterday, with Cristina Odone, Catholicism's answer to Anne Atkins, pontificating on the sins of a film she hadn't seen — the remake of *Lolita*.

In its lead story, the *Today* programme failed to play a single clip of the ducal gaffes and the court correspondent was as pompous as a palace apologist: if the Duke is out of touch, the BBC is sometimes not far behind. While the rest of the world spluttered with indignation or laughter (a good 40 per cent of Britons are now of republican bent), the sonorous BBC said gravely: "Damage has been done ... Being the man he is, he just gave a straight answer ... He feels, by the way, the press are only interested when he causes controversy,

and all his good work is usually forgotten." Where was the spontaneous ribaldry to be found everywhere else?

The lack of either spontaneity or comment stands out in the BBC's reporting, as journalism elsewhere these days offers lively interpretation. Bland statement of fact accompanied by two brief opposing soundbites of contradictory positions is not enough. In the great cacophony of voices and opinions all around us, the BBC house style is so safe as to be virtually silent — a non-player. It is a deadening, col-

ourless habit of mind that will not sustain its reporting for much longer. Asked for a view, BBC staff clamp their hands over their mouths and claim intellectual castration. And it shows in the output. Intelligent reporters are reduced to empty ciphers, wasting their talents, patronising the audience and exuding caution.

It would take bold leadership to dare to discard a straight-jacket that has become as outdated as the radio announcers' dinner jackets. The BBC needs the self-confidence to breathe the fresh air of controversy

with a voice of its own. It is time to tell the politicians and the interest groups to go hang. Be brave. Otherwise the licence fee becomes an albatross, obliging the BBC to offend no one and say nothing.

In recent years the BBC has been preoccupied with its own survival. Cannons on the left blasted Birt as a destroyer of old BBC traditions (often thinly disguised self-indulgences). More dangerous cannons on the right tried to dismantle the BBC altogether, sell off bits and keep only a tiny specialist subscription service. Over past years (but quieter of late) the Murdoch press has bayed loudest for BBC blood, pursuing Murdoch's television interests.

The Director General on yesterday's *Today* programme was in Cheshire Cat mode. He was pleased with the licence fee outcome, not all he wanted, but enough. He was also reasonably pleased with this week's revised DTI regulations governing Rupert Murdoch's digital set-top box. Not all he wanted, but considerably better than was proposed two months ago before all the public fuss. Ty as he might James Naughtie could not get John Birt to say the words "Rupert Murdoch", let alone express alarm at the tycoon's burgeoning media power.

But now the licence fee is won, the BBC is secure, whoever wins the election. Now is the time for the BBC to forget the politicians and take up its mantle as defender of our cultural life. That means confronting the power of Murdoch, as the greatest cultural threat. For even if (which remains deeply in doubt) Ofcom successfully regulates fair access to the digital future, Murdoch's overwhelming dominance in sport and movies, what he calls his "battering-ram", will increasingly batter the BBC in the coming years.

Only the BBC, free of commercial interest, can take on this role convincingly. The political parties are paralysed by Murdoch's command of 40 per cent of the press. Who else is to take up cudgels against Murdoch's predatory newspaper-price war, financed by a cross-media ownership that would have been banned in the United States? If the BBC marches into controversy on issues like these, so much the better. For what is the point of the BBC's new hard-earned political independence if it does not have the confidence to use it bravely for the good of the nation?

To catch a thief

Andrew Brown reflects on the strange case of the stolen headphones, and its hi-tech dénouement

Nine months ago, a court case was conceived: one of the cleaners stole a pair of headphones off my desk at *The Independent*. He was captured in the act by a video camera. What followed was an extraordinary demonstration of the ways in which hi-tech offices are constantly subverted by human ingenuity. Even the headphones were part of this subversion, since I use them to restore the privacy that an open-plan office otherwise strips away.

The case finally came to court last week. By the time it reached the court, I had forgotten even in which month the incident had taken place. I had only reported it because I wanted to be able to claim for the fairly expensive headphones on insurance: the last thing I expected was to be told that a culprit had been caught. But the video never sleeps.

The cameras that lurk in toughened black-glass bubbles, like the compound eyes of insects, cost, I am told, £5,500 each and are capable of alarming feats of technological sophistication, such as tracking automatically the movements of tagged equipment through the office. When I complained to the office security people, they sped through a fortnight's worth of tape, watching for a flicker of movement at my desk. Within a couple of days they told me that they had seen the moment of the theft and that the police had arrested the culprit. Then I heard nothing, for months and months, until a young policeman took a statement from me. The cleaner had pleaded not guilty, despite the video evidence, and the further evidence of the

electronic identity cards with which the doors in this office complex must be opened, which had placed him on the floor at the right moment.

The next shock was to learn that he had elected to go for jury trial. The headphones he stole were worth about £50. Had he admitted their theft, he would probably have been cautioned and released with no further action taken.

He had no previous form and was 25, approaching the age at which young men grow out of

He had put his finger in the machine, and it had torn his whole arm off

crime. By denying his act, in the teeth of video evidence, he was setting himself up for a conviction and criminal record. A 25-year-old black man with a conviction for theft is not going to find honest work again easily.

He had put his finger in the machine, and it had torn his whole arm off, I said to one of the policemen as we waited in the cafeteria of Southwark Crown Court. It is a huge, purpose-built brick fortress on the Thames, which seemed grotesquely disproportionate to the crime. But by then the theft of my £50 headphones had drawn in two police officers, two lawyers, and the head of security from the Mirror Group, which houses our offices. All of us were hanging around,

waiting for a courtroom. We had been summoned to attend on a particular day, but no one could be certain when a courtroom would become available. There were 16 courtrooms to choose from, all fitted with video equipment, but all were occupied.

We waited and gossiped all morning with the legal costs ticking up like a taxi meter on Concorde. The lawyers went off to examine the video evidence, again. The cameras use a special high-definition format, with which the police had been able to see every detail of the crime. But then it turned out that this had not survived translation to the more common VHS format. A fresh tape had to be watched.

We broke off for lunch, taxi meters still ticking, but when I returned the whole thing had been solved. It turned out that only two of the courtrooms were fitted with high-definition equipment that would show more than an anonymous arm snaking down to my headphones and whisking them into an anonymous coat. Neither would be free that day. Without the extra fancy equipment there was nothing that would satisfy a jury.

So the cleaner had agreed to accept a caution. There would be no trial, and no conviction, though he would admit his guilt. All that effort by the police, the security men, the lawyers had been almost completely wasted. Nine months of bureaucratic labour had brought forth a mouse — but at least the mouse was free. I thought, as I watched him scampering across the cafeteria where he too had been waiting, with more patience than we had shown.

The chic shawl that's to die for

Madeleine Trehearne sat on the floor of her daughter's playroom surrounded by tens of thousands of pounds-worth of caprine luxury and said: "Of course some people come and ask: 'But it's just a pink scarf — why does it cost £500?' I have to be very patient with them."

This, unfortunately, was exactly the question I was about to ask. "Why? Well, we don't rip anyone off and these are

patently, "You can't compare them to woolen scarves. That's like comparing purest silk to a pair of cotton underpants at Marks & Spencer."

The style guru Lucia van der Post has decreed that the pashmina is "the most chic shawl around town," and if you have to ask, then be careful how you do. It seems that something called the shatoosh used to be. It was to die for — ask the antelope that supplied the fine and rare fibres for the cloth and has since become endangered. Well, at least someone had the sense to quit selling them before Sting made a record.

But there is still pashmina or even the odd vicuña to shrug into. Pashmina is made from the hair combed from the underbelly of the *capra hircus* (it means "hairy little goat") that lives in highest Kashmir. "This skill is unique to the Kashmiris and they will not show you how they do the weaving," says Ms Trehearne, who sells direct from her Hampstead house and whose other career is as an English literature academic.

To find the vicuña, you have to go halfway around the world to the Puna — the cold South American steppe. Down to only a few hundred in the mid-Sixties, the

small animal related to the alpaca and llama has made a healthy enough comeback to be back from the brink and back on the shelf at Harrods. A small shawl is £849, a large one £1,949.

Why? Well this is no ordinary wild ruminant. The Incas sacrificed them on a fairly regular basis, but then they had some one million to cull from. We can blame Pizarro, who plundered herds for New World silk and began a trend that didn't end until the Sixties trade ban.

Now there are 160,000 vicuña but, if you count them in ounces of fleece, that is still not many. Each produces only eight ounces every two years (compared to six to eight pounds per year by the merino sheep). An overcoat requires a veritable herd (25 to 30 of them).

It is hard to tell which is more politically correct. The fleece from an animal given special permission to be shorn by the endangered species watchdog, CITES, or goats scampering across the political divides of strife-torn Kashmir? Who needs fur when you can play New Age one-upmanship at this sort of level?

Back at Ms Trehearne's house, my knees are now molly-swaddled in pashmina. "Isn't it warm? It's like a thermal vest. You can hatch an egg in one, though my green-grocer said that is a very expensive way to hatch an egg."

She unfurls one covered in the tiny stitches of a master embroiderer. "Of course, something like this is very expensive — we want £4,000 for it — but then again it took one man three years to do." Suddenly, Marks & Spencer seems very far away indeed.

Ann Treneman

Send a baby box to Bosnia this winter

Disinfectant, nappies, washing materials — not what you'd think of giving someone. But for an impoverished mother in Bosnia trying to keep her child safe from infection, the basic essentials inside one of our baby boxes would mean the world.

Children's Aid Direct will deliver your box directly into the hands of mothers in Bosnia — many of whom will be living in war-damaged housing in very basic conditions this winter. Please send a baby box to Bosnia this winter — and help a mother keep her baby safe.



With love from a friend...

Call 0990 600610 now to tell us how many baby boxes you would like to send.

OR please complete and return this form.

Please send _____ baby box(es) at £30 each on my behalf.

I enclose a cheque for £ _____ (total amount) made payable to

Children's Aid Direct

OR please debit £ _____ from my ☐ Visa ☐ Access ☐ Switch

Card number _____

Last three digits of Switch card no. _____ / Switch issue no. _____

Expiry date _____ / Signature _____

Name (s) _____

Address _____

Postcode _____

Telephone _____

If you would like to send a message to a donation

number, please send it with your donation and we will put

it in your baby box. Please send to: Children's Aid Direct,

Dept 496, FREEPOST, Reading, RG1 1BR

Registered charity no. 808236

Children's Aid Direct

business & city

Business news desk: tel 0171-293 2636 fax 0171-293 2098
BUSINESS & CITY EDITOR: JEREMY WARNER

Halifax flotation to cost £400m

Jul Treamer
Banking Correspondent

The bill for merging Halifax Building Society with Leeds Permanent and next year's planned £1bn stock market flotation will total more than £400m.

City lawyers, bankers and brokers will share bumper fees with Halifax estimating the bill for flotation and the accompanying conversion to being a bank at £153m.

The remaining £260m of the bill is restructuring costs associated with the merger with Leeds. The costs break down as £208.9m for reorganising, restructuring and integrating the two businesses, and £51.5m for the loss on the disposal of fixed assets, mainly property.

Halifax has already announced 1,200 job losses as a result of merging the two head offices. It is also closing down branches as there was considerable overlap between the two societies on the high street.

The society will not reveal the precise details of the share hand-outs to its 9 million members until early next month when its weighty transfer document about the flotation will be sent out. The wording is being finalised with the Building Societies Commission, the industry regulator.

The document will confirm that the share bonus will take the form of a flat distribution and an additional variable allocation of shares. The number of shares allocated will be calculated based on the balance in each member's account in November 1994 - when the flotation was first announced - and on the day of the special general meeting next February.

Halifax also yesterday announced results for the first nine months of this year, showing an underlying 5.9 per cent rise in pre-tax profits to £1.08bn before

the exceptional costs for the Leeds merger and partly for the flotation.

The society took a 9 per cent share of net mortgage business in the UK in the nine months. This compares with the 7 per cent share in the first half, which was depressed by the society's decision to stay away from the highly competitive remortgage market.

But this is still well below its 20 per cent share of outstanding mortgage business.

While the cost of the conversion is still only an estimate, the Halifax has decided to take a £69m charge during the nine-month period ending 31 October 1996.

This covers the costs to be incurred up to the special general meeting at the Sheffield Arena in February. The date of the meeting, at which members will vote on the conversion plan, has yet to be announced.

Roughly half of the conversion costs are due to communication, according to a Halifax spokesman. This includes mail shots to the society's members, producing and distributing the 150-page transfer document and a new advertising campaign.

The remainder of the costs will include fees to Deutsche Morgan Grenfell, the investment bank that is managing the flotation. One analyst estimated that Deutsche would expect to take in around £45m in fees.

Lawyers could charge £30m while stockbrokers will also expect to receive fees of approximately £15m. The only other converting building society to admit the cost is Alliance & Leicester which put its bill at £58m, £10m of which is due to postage costs. Halifax's stock market value after flotation is estimated to be 3.7 times greater than Alliance & Leicester's.

Comment, page 21



Eyeing the future: Sir Derek Hornby (left) chairman of London & Continental Railways, and the Transport Minister John Watts at Waterloo International. Photograph: Peter MacDiarmid

Michael Harrison

Preparations for the £1bn flotation of the Eurostar train operator, London and Continental Railways, are to begin early next year following its quicker-than-expected recovery from the Channel Tunnel fire last month.

Passenger numbers are back to 65 per cent of their level before the fire and Eurostar expects traffic levels to be fully restored by January. Some 65,000 passengers will travel between London, Paris and Brussels on the service this week and Eurostar expects traffic levels to rise to 100,000 in Christmas week with the help of special promotions such as a £69 same-

Eurostar's £1bn flotation on track as traffic returns

day return fare. Before the fire on board a Eurotunnel freight shuttle, Eurostar was handling 100,000 passengers a week.

The proceeds from the flotation will be used to fund the construction of the £2.8bn Channel Tunnel high-speed rail link into London's St Pancras station. LCR, whose shareholders include the Virgin Group, SBC Warburg, National Express and

Bechtel, was selected for the project earlier this year.

A further £1bn-£1.5bn of bank debt will need to be raised while the Government is committed to providing £1.4bn of taxpayers' funds. However, none of the public subsidies will be available until the 68-mile link is two-thirds built.

Construction will begin in mid-1998 and the line is sched-

uled to open in 2003. It will cut 35 minutes off journey times, meaning that Brussels will be just a two-hour train ride away and Paris will be reached in 2 hours 15 minutes.

The flotation is expected to take place in early 1998 in conjunction with the raising of debt finance from an international syndicate of banks.

Adam Mills, chief executive of

LCR said Eurostar was on the "curve of profitability" but it was unlikely to be in profit before the flotation. Passenger numbers this year will top 6 million compared with 3.4 million last year but Eurostar is reckoned to need about 10 million passengers to break even.

Mr Mills said the fund-raising exercise would be a challenging one in the light of the experience of the Channel Tunnel which cost Eurotunnel £10bn to build and opened more than a year late.

"It would be difficult to raise funds of that kind anywhere and at any time and there will be a view that this is in some way linked to Eurotunnel."

Comment, page 21

US court tells GKN to pay out £331m

Chris Godsmark
Business Correspondent

GKN, one of the UK's biggest car components groups, was dealt a serious and unexpected setback yesterday when a US court ordered the company to pay up to \$554m (£331m) in damages in a dispute over its American car exhaust business.

The scale of the award stunned the company and analysts and could wipe out its cash reserves and hit this year's final profit figures. The shares fell

sharply on the news and despite some recovery in later trading closed down 35.5p at £10.09p.

The class action was brought by small garage owners who operated franchises for Meineke Discount Muffler Shops, GKN's retail car exhaust chain and a tiny part of the group's world-wide operations. The jury in the district court in Charlotte, North Carolina, agreed that advertising commission payments charged to the franchise operators by Meineke's in-house agency were illegal.

"They claimed GKN had defrauded them by covering up the payments after having pledged that the in-house advertising agency would not make a profit or charge commission."

Franchising is big business in the US but has attracted controversy in recent years over heavy-handed tactics by some multinational companies. The jury had used its discretion to award additional damages on top of the original claim for \$331m to cover the commission money. Under US court rules

the damages are then tripled. Though the award against GKN is for \$398m, it could be as high as \$554m.

A spokesman for the company said he was shocked by the announcement and said GKN would launch an appeal against the final judgment, expected in January. "All the advice we had been getting was that we had a very strong case and that advice still stands as far as we're concerned. We're confident we'll win through on appeal, which will be heard by three judges

rather than a small town jury."

However, the group is likely to have to lodge some or all of the cash in a bond with the court before the appeal, which could take up to a year to come to court. An extraordinary charge is likely to be made on GKN's accounts for 1996, though the final dividend, to be paid out in the spring, would not be cut.

GKN had cash reserves of £483m on its books in its half-yearly accounts, which could be substantially reduced if the full award is upheld.

BSkyB warned to play fair on digital television

Chris Godsmark
Business Correspondent

Any attempts by BSkyB to unfairly control digital television services to viewers through its controversial set-top box technology would be curbed under new guidelines for the multi-channel television era announced yesterday by Don Cruickshank, the telecommunications regulator.

Though he accepted BSkyB, Rupert Murdoch's satellite channel, was likely to have a dominant position in the delivery of programmes to consumers, Mr Cruickshank promised to stamp out any discrimination between Sky programmes and the offerings of other broadcasters.

However it emerged that Mr Cruickshank's powers to curb any anti-competitive behaviour by BSkyB could be watered down if British Telecom wins a legal challenge against similar powers over its telephone services. BT's lawyers have

been in the High Court this week contesting the legality of new licence conditions which give the regulator the ability to ban any moves by phone operators which he fears could be designed to thwart competition. Judgement in the action is due this afternoon.

Though BT has accepted the new powers, which take effect from 31 December, the company has claimed it was obliged to challenge their legality in order to protect shareholders' interests.

Mr Cruickshank is planning to introduce the same condition to regulate BSkyB and though he refused to speculate on what would happen if he lost the BT case, he admitted the fair trading proposals were "an important part" of yesterday's digital TV guidelines.

BSkyB is working to start digital satellite services, offering up to 300 television channels, by late 1997. Contracts are likely to be awarded in the next few days to set-top box manufac-

turers, including Sony and Pace Micro Technology.

The move gives BSkyB a lucrative headstart over the cable industry, which has pledged to provide its own digital delivery system and over the digital terrestrial services planned by the BBC and ITV using the conventional TV aerial network.

The boxes could be sold for £200 but will cost some £400 to make, with the difference subsidised by a Sky-organised consortium.

The vision spelt out by Mr Cruickshank involved the probability of just "one or two" systems available to bring programmes into homes, but with separation of the technical delivery mechanism from programme making.

The guidelines oblige companies to provide separate accounts for the delivery businesses and to provide information about prices. If they fail to comply, Ofcom, the watchdog, can make an enforcement order or take operators to court.

OECD predicts deadline for euro will not be met

Diane Coyle
Economics Editor

None of the biggest EU economies is likely to qualify for membership of the single currency in time for the 1 January 1999 start date, according to an authoritative new report.

The Organisation for Economic Co-operation and Development predicts, in its end-year economic outlook, that none of the key members of the euro will have a government budget deficit below the 3 per cent limit set out in the Maastricht Treaty by 1997, the decisive year. It praises the progress most continental European countries have made in reducing government budget shortfalls, but reckons only a few smaller members are likely to make it below the ceiling.

Although recovery in the EU economies will be modest thanks to these efforts to cut government borrowing, the organisation says the outlook for the industrial economies is one

of balanced growth and low inflation.

In particular, it expects the US to grow by almost as much next year as in 1996 with barely any increase in inflation and only a small rise in interest rates. The report lends support to what financial markets have dubbed the "Goldilocks scenario", an economy that is neither too hot nor too cold.

Japan is the one significant case where the OECD expects the pace of growth to slow. Canada is likely to be the fastest-growing of the big industrial economies in 1997-98, followed by the UK.

In the case of Germany, yesterday's report says: "On the assumption of a sufficiently supportive monetary stance, the Maastricht fiscal deficit criteria will be met if all the government's proposed measures are implemented." But the forecast puts the deficit at 3.4 per cent of GDP in 1997, just outside the limit.

It forecasts a 3.2 per cent

deficit in France, commenting that meeting the treaty's target "depends not only on the resolute implementation of fiscal consolidation plans, but also on the likely course of interest rates."

The speed with which countries succeed in moving towards the Maastricht limits will determine how sluggish the EU economies are next year. The report foresees the recovery as being "relatively modest" because of efforts to close the gap between government spending and revenues. It predicts that unemployment rates on the Continent will scarcely budge from their current high levels.

Even so it expects both the main European economies to grow faster next year than this, admitting that their performance in 1996 has been sluggish. Investment and exports are likely to recover during the next 12 months. Low interest rates and a tight fiscal policy should permit faster growth without the threat of inflation.

STOCK MARKETS					
Index	Close	Day's change	Change(%)	1996 High	1996 Low
FTSE 100	4051.30	+33.10	+0.8	4073.10	3632.30
FTSE 250	4406.80	+26.30	+0.6	4568.60	4015.30
FTSE 350	2009.40	+15.40	+0.8	2022.10	1816.60
FTSE SmallCap	2148.79	+6.23	+0.3	2244.36	1954.06
FTSE All-Share	1979.85	+14.54	+0.7	1994.54	1791.55
New York	6414.05	+67.29	+1.1	6547.79	5032.94
Tokyo	19570.67	-522.36	-2.6	21666.80	19570.67
Hong Kong	12846.56	+80.54	+0.6	13530.95	10294.97
Frankfurt	3807.75	-13.00	-0.5	3959.91	2253.36

Source: FT Information

INTEREST RATES					
Money Market Rates					
Index	1 Month	3 Month	6 Month	1 Year	2 Year
UK	6.03	6.94	7.62	7.51	7.70
US	5.59	5.84	6.40	5.71	6.65
Japan	0.22	0.44	2.38	1.68	2.07
Germany	3.29	3.25	5.84	6.09	6.75
Bond Yields					
Index	1 Month	3 Month	6 Month	1 Year	2 Year
UK	6.03	6.94	7.62	7.51	7.70
US	5.59	5.84	6.40	5.71	6.65
Japan	0.22	0.44	2.38	1.68	2.07
Germany	3.29	3.25	5.84	6.09	6.75
MAIN PRICE CHANGES					
Index	Price (p)	Change (p)	Change (%)	Index	Price (p)
Bull Borneo Pests	717.5	-46	-6.4	Rank Group	416.5
Anglo	797.5	50	6.3	GKN	1009.5
Grain Estate	202	8.5	4.4	Flaming Jap Inv	193

CURRENCIES					
Pound					
Index	Yesterday	Change	Year Ago	Index	Yesterday
\$ (London)	1.6625	-1.00c	1.5391	£ (London)	0.6015
\$ (NY)	1.6635	-0.80c	1.5416	£ (NY)	0.6011
DM (London)	2.5936	-0.02c	2.2165	DM (London)	1.6801
¥ (London)	198.592	-0.513	188.745	¥ (London)	114.040
£ Index	94.1	-0.3	82.8	\$ Index	98.5
OTHER INDICATORS					
Index	Yesterday	Day's change	Year Ago	Index	Yesterday
Oil Brent \$	23.69	+0.35	17.80	RPI	153.9
Gold \$	369.20	+0.15	387.80	GDP	108.9
Gold £	222.07	+1.78	251.04	Base Rates	6.75

Dunn & Co calls in the receivers

Nigel Cope

The Christmas shopping season turned sour for one of Britain's best-known menswear retailers yesterday when Dunn & Co collapsed into receivership.

Known for its slightly old-fashioned image, sturdy suits, blazers and flannels, Dunn & Co's reliance on the formal wear market proved its undoing. Receivers KPMG blamed the collapse on poor trading and high debts.

The company was founded in 1886 as a hat seller and developed a string of high street stores. But since it was acquired by new owners in 1994 it has been losing more than £1m a year on sales of £25m. It has debts of £6.4m of which £4m is owed to unsecured creditors. Venture capitalists CinVen own 86 per cent of the company.

Dunn & Co has 130 shops and 429 staff. Its head office in Swansea employs a further 75 workers. The receivers hope to sell the group as a going concern and will be working to keep the shops trading over Christmas, which is its busiest time of the year. There are no immediate plans for shop closures or redundancies. KPMG's Paul Jeffries said: "It's a very well known name and the customer loyalty is tremendous. We expect there to be quite a bit of interest."

He added that the group's problems arose through a decline in the formal wear market. Dunn & Co was formed by George Arthur Dunn, a Quaker, 110 years ago. He had started his career selling hats on the streets of Birmingham. Forty years later he had 200 hat shops and as many franchises in other stores.

Though the stores have attracted a dusty reputation, Mr Dunn was a modern thinker. He was the first man in Britain to own a combine harvester. Before he died in 1939 he also opened a vegetarian hotel.

Prior to his death he established a trust to own and run the company for the benefit of the employees. The group has experienced problems before and was put up for sale in 1991. Then nearly 40 shops were sold to Hodges, a private Welsh group which kept the Dunn & Co name going.

Since its sale to CinVen in 1994 it has been run by Anthony Phillips and Jim Bellingham.

IMPORTANT NEWS FOR MORTGAGE CUSTOMERS

Interest Rate Change

The rates of interest for new and existing mortgage customers (in appropriate cases the basic rate) will increase by 0.25% to 6.99% with effect from 20th December 1996. The new rates continue to reflect the Society's commitment to mutuality and the benefits this brings to our customers.

Fixed rate mortgages are not affected during the contractual fixed rate period.

In cases where mortgage interest rate changes are subject to notice, the increase will take place after the appropriate notice period which will commence on 20th December 1996.

There will be no change to the interest rates on existing Secured Personal Loans regulated by the Consumer Credit Act 1974.

For customers participating in the Society's annual review procedure, this interest rate increase will be taken into account when calculating new monthly payments from March 1997 or, in appropriate cases, the anniversary of the mortgage.

Norwich and Peterborough

Chief Office: Peterborough Business Park, Lynch Wood, Peterborough PE2 8WZ.
Telephone: Peterborough (01753) 371371.
Member of The Building Societies Association. Member of LMR.
Assets exceed £1.6 billion.

This formal notice is issued in compliance with the requirements of The London Stock Exchange Limited ("the London Stock Exchange"). This formal notice should be read in conjunction with the circular dated 19 December, 1996 ("the Circular") which contains full details of The Environmental Investment Company Limited and the securities being issued.

Application has been made to the London Stock Exchange for the Zero Dividend Preference Shares to be admitted to the Official List.

The Environmental Investment Company Limited

(a closed-end company incorporated in Jersey, registered with number 53007)

Capitalisation Issue of 12,000,000 Zero Dividend Preference Shares of 1p each on the basis of 3 zero dividend preference shares for every 1 ordinary share

AVAILABILITY OF CIRCULAR

Copies of the Circular are available (for collection only during normal business hours) from the Company Announcements Office, London Stock Exchange, Old Broad Street, London EC2N 1HP on the two business days following the date of publication of the Circular and may also be obtained during normal business hours for collection until 10 January 1997 from the registered office of the Company at La Motte Chambers, St. Helier, Jersey JE1 1BJ, Channel Islands and from:

Hoare Govett Corporate Finance Limited
4 Broad Street
London EC2M 1LE

Hoare Govett Corporate Finance Limited, which is regulated by The Securities and Futures Authority Limited, is acting for the Company and no one else in connection with the Capitalisation Issue and will not be responsible to anyone other than the Company for providing the provisions afforded to its customers or for affording advice in relation to the contents of the Circular or any matters referred to therein.

20 December 1996



COMMENT

'Most mortals are going to find the amount being spent on merging with the Leeds Permanent and then floating on the stock market hard to understand or justify. At £413m, it is equal to the cost of several spanking new hospitals'

Up and up go the costs of Halifax conversion

Most mortals are going to find the amount being spent by Halifax on merging with the Leeds Permanent and then floating on the stock market hard to understand or justify. At £413m, it is equal to the cost of several spanking new hospitals. Alternatively, it could be made to pay for about half the planned up-lift in Government spending on education next year, or to cut the deficit to a level which might qualify Britain for the single European currency. It dwarfs even the costs of preparing the water companies for privatisation and then floating them on the stock market.

Looked at another way, it is about 10 per cent of what the Halifax and Leeds combined pay their depositors each year in interest. Even taking into account the fact the bulk of the cost is being incurred on the merger, expenses which presumably can be quite swiftly recouped out of subsequent cost savings, we are still talking about quite spectacular numbers.

Costs associated with the flotation alone are expected to come out at £153m. That may not look unduly high set against the company's expected £11bn stock market worth, or the usual percentages charged by the City, but given that this float does not need to be marketed or underwritten in any way, the figures still look out of all proportion. The reason, Halifax claims, is the enormous costs associated with communicating with its 9 million members. The sheer bulk of the necessary documentation is way

above anything seen before, and as a consequence unanticipated to some degree.

The obvious question is whether the exercise justifies the expenses. Halifax, it will be recalled, was a late convert to the idea of conversion. The full story of how it came to change its mind has yet to be told. For some years, Jon Foulds, the chairman, held out against it, giving long and highly articulate dissertations on why it wasn't for the Halifax. Then the scales fell from his eyes, the dyke was breached and those that still cling to mutuality are now the odd ones out. But the assertion that Halifax will be better for its members as a joint stock company has yet to be proved.

Nationwide argues that what the others are going to have to pay out in dividends can in their case be used to offer their members keener interest rates. On the face of it, this is not an easy thing to argue against. The costs of the Halifax-Leeds merger and its subsequent flotation would be worth approximately half a percentage point to its depositors, the sort of advantage competitors would kill for. But with all those free shares around, who's going to dispute the costs?

Metal Exchange gets a fair bill of health

The London Metal Exchange's way of life and its trading methods are safe, but its culture is not so secure. Yesterday's report

by the Securities and Investments Board into the regulatory structure of the LME found it out of the ark, full of potentially damaging conflicts of interest and in urgent need of an overhaul.

SIB has no evidence of abuse. But to outsiders, the lack of a clear division of responsibility between the board and the executive is deeply worrying.

That explains why the Securities and Futures Authority, which regulates some LME members, has been wary of handing over too much information to the metal market. With the right reforms, that roadblock to a closer co-operation, which is essential to avoiding future scandals, should be removable. The LME had better get a move on.

The LME has nevertheless won a victory of a kind. There is no more talk of a complete overhaul of the very special trading methods. After all, the fundamental cause of the Sumitomo scandal must be sought in Japan. The giant company, hardly in the widows and orphans class, failed to police its own enormous dealings in copper.

Furthermore, it reacted so promptly to warnings from the LME and SIB that something suspicious was going on. And the main companies with which it did business in London were not even LME members, but were regulated by the SFA.

The £2.6bn of losses are therefore hard to pin on the peculiarities of LME trading. The metal market has no segregation of

client accounts, LME members are allowed to grant credit to their customers and there are no daily cash payments to cover margins – investor protection features found in all other London markets.

But the Securities and Investments Board has accepted the view of professionals connected with the LME that it should be allowed to continue in its own way.

The reason for this special treatment is that the bulk of LME users either produce or consume the products being traded, and are grown up enough to know what they are doing.

More important, SIB says there is no systemic risk that the whole trading system would collapse if there were a default resulting from lack of segregation of client accounts. This is not a clean bill of health, but it could have been much worse.

Long haul ahead for high-speed rail link

Just as investors are recovering their nerve after the fire in the Channel Tunnel, another bunch of railway enthusiasts are preparing to bring their train set to market. Early next year London and Continental Railways, the Eurostar operator, will begin softening up City institutions and banks for a capital-raising exercise to fund the £2.8bn high-speed rail link.

Don't be fooled, however, by that £2.8bn

figure, which is just the capital cost. Euro-tunnel provided a wondrous insight into just how crippling compound interest can be. When the high-speed line is up and running, in theory by 2003, it will be remarkable if there is any change from £4bn (at 1993 prices). That seems a fancy sum for slicing 35 minutes off the journey time to Paris and Brussels.

There are some important differences, however, between LCR and Euro-tunnel. For one thing, LCR already has £1.4bn of public funding in its back pocket after the Government's belated recognition that it would never get this project out of the sidings unless it dipped into taxpayers' pockets.

For another, LCR also has a sizeable income stream from Eurostar operations even though the chances of it actually turning a profit before flotation at the beginning of 1998 must be remote.

And for a third thing, it has the marketing chutzpah of Richard Branson's Virgin and the financial muscle of SBC Warburg behind it.

That said, the high-speed link will forever be linked – both physically and in the mind's eye of investors – with the Channel Tunnel, which came in a year late and twice the original budget and could, quite conceivably, never pay its original shareholders a dividend.

It will take all Branson's pizzazz and all SBC's considerable financial ingenuity to pull this one off.

Interest rate rise leads to cut in mortgage lending

Diane Coyle
Economics Editor

The amount of new mortgage and consumer borrowing fell slightly last month, following the rise in base rates at the end of October. But November brought a surge in total bank lending for the second month running.

The Building Societies Association said the housing recovery was still on track despite the slight setback, with mortgage advances well above the previous year's level. Adrian Coles, director general, said: "The slight fall in lending is not a sign of faltering recovery but, rather, that it is more stable and likely to be sustainable in the longer term."

The strong but steady outlook for the housing market was supported by Abbey National, one of the biggest mortgage lenders.

Predicting a 7 per cent rise in house prices in 1997, retail managing director Andrew Pople said: "We do not anticipate – and would not welcome

– a return to the boom-bust cycle of the late 1980s." He added: "We do not expect interest rates to rise significantly in the foreseeable future, which in turn will underpin consumer confidence."

Economists suggested that the slight setback to borrowing reflected the withdrawal of cheap fixed-rate mortgage deals after the 30 October increase in base rates. "There is little sign of a strengthening trend in personal sector borrowing," said John O'Sullivan, an economist at NatWest Markets.

New lending by the building societies fell from £1.5bn in October to £1.3bn in November, still 73 per cent higher than a year earlier. Separate figures from the main high-street banks showed a dip in their mortgage lending from £623m to £610m.

However, the British Bankers' Association said their total lending was well above October's figure. It rose to £4.6bn from £2.8bn, inflated by an £800m loan by one bank to a subsidiary. Even adjusting for this, the

BBA said there was demand for loans from across all economic sectors. It was particularly strong from service industries, while a jump in borrowing by leasing companies pointed to higher investment spending in industry.

The buoyant loans picture made for a higher-than-expected jump in total lending and in M4, the broad measure of the money supply. New loans in the economy amounted to £7bn, about the same as the previous month and 10 per cent higher than last November.

The annual growth in M4 increased from 10.5 per cent to 10.8 per cent, highest rate for nearly six years.

The steady acceleration in broad money growth during the year has concerned the Bank of England, even though the introduction of the gilts repo market has exaggerated the pace. Many in the City thought that, after strong retail sales and a big drop in unemployment, the lending figures would lead the Bank to press harder for another rise in base rates.



Asda's chairman Archie Norman (right) with Allan Leighton, chief executive, in Harrogate yesterday. Photograph: Guzelian

Norman rejects loyalty card as Asda surges

Tom Stevenson
City Editor

Archie Norman, Asda's chairman, remained resolutely opposed to the idea of introducing a loyalty card at the supermarket chain yesterday, as he announced strong profits and sales growth in the half-year to November.

"The old maxims are often the best. Keeping it simple has been the key to our success," he said, as he reported another bumper like-for-like sales performance from the Leeds-based multiple grocer. Sales from existing stores grew by 10.2 per cent in the six-month period, which compared with growth of only 7 per cent from Tesco, 5.1 per cent from Sainsbury and 2.3 per cent from Safeway.

Allan Leighton, who succeeded Mr Norman as chief executive earlier this year, added: "Our continued outperformance of the industry is evi-

dence of progress towards our Breakout goal of becoming Britain's best value fresh food and clothing superstore." Breakout is a three-year improvement programme launched by Asda in 1995.

Profits in the half-year before a £70m exceptional profit from the sale of the group's stake in Allied Carpets increased 15.8 per cent to £160.1m. Earnings per share increased by a similar margin to 4.05p and the dividend rose 12.5 per cent to 0.81p. Asda's shares, which have risen from a low of 23p in 1992, closed 1.75p higher at 125.5p.

Since Mr Norman joined Asda in 1992 to reverse its fading fortunes, the group's return on sales has more than doubled despite a gradual decline in the return on assets enjoyed by the industry as a whole. Yesterday he said Asda had overtaken the average of its three big rivals on that measure for the first time.

Announcing a continuation of Asda's creed, "Simplicity is divinity", Mr Norman said: "Our competitors are looking for other things to do. We have nothing against loyalty cards, but we believe our success is more to do with being radical and doing things with pace."

With all the big grocery chains copying each other's initiatives, he added, the trick was to stay ahead of the game and to focus on the core business rather than moving into peripheral areas such as financial services.

Asda's strongest performers in the period were fresh food and clothing. Meat sales rose 19 per cent, produce 14 per cent and bakery sales were 13 per cent higher.

The George clothing brand saw a 35 per cent increase in sales with children's wear and ladies' outerwear especially strong.

Investment column, page 22



On his mettle: Raj Bagri (right) of the LME

Photograph: Peter Macdiarmid

SIB warns on conflict of interest at LME

Peter Rodgers
Financial Editor

The Securities and Investments Board said yesterday that serious potential conflicts of interest at the top of the London Metal Exchange should be removed as soon as possible.

The City's senior regulator was proposing a seven-point programme of improvements at the LME, the result of a six-month investigation into regulation of the metals market.

The inquiry was launched in the summer after Yasuo Hamanaka, a copper trader at Sumitomo, ran up losses of \$2.6bn for his employer, and SIB is to monitor progress at the LME over the next 12 months.

The SIB report said there had been occasions when conflicts of interest ruled out so many board members of the LME from an active interest that a special committee of the chief executive, including a co-opted outsider, had to be set up to deal with market developments.

SIB made no allegation that conflicts of interest had led to abuse of inside information ob-

tained while regulating the metal markets. But it made clear its concerns about the seriousness of the risks arising from the market's organisation.

The report said: "In order to secure the confidence of users of the LME, it is also essential that the board as a whole and its individual members are seen to have ensured that they do not misuse information gained for regulatory purposes."

There should be a clear separation between regulatory tasks and the commercial activities of the exchange "so that confidentiality of information can be seen to be preserved".

The LME board should formally delegate responsibility for monitoring trading to the executive and it should "continue to arrange its affairs so that it does not have access to market-sensitive information and should make clear publicly that this is the case".

One of SIB's recommendations is that the LME creates a post of head of market regulation and enforcement to give a "higher profile and a sharper focus at a senior level" to reg-

ulation and enforcement. Raj Bagri, chairman of the LME, insisted that there had never been any problem in practice but agreed that the SIB recommendation would prompt changes in LME organisation and an increase in the number of independent directors, which he expects to rise from one to at least three. The staff of 44 will rise by about a fifth.

Mr Bagri said: "It is not just a question of doing the right thing but of being seen to be doing the right thing."

The report was attacked by David Threlkeld, a copper trader, who warned the LME about Mr Hamanaka's activities in 1991. "You need a new executive entity on the LME with teeth and powers to put a stop to corruption and fraud."

The SIB report came down against radical changes in the distinctive way the LME operates, which arises from its deep involvement with producers and end users of metal.

But it urged more independent directors and an exchange of information with the SFA.

Radical regulation, page 24

1,000 jobs lost in Gallaher closure

Gallaher, the UK tobacco subsidiary of American Brands, is to shut its cigarette factory in Manchester with the loss of almost 1,000 jobs. Production is being transferred to its factory at Lisnafillan, Northern Ireland where around 300 new jobs will be created.

Local council leaders in Manchester and unions immediately condemned the decision. "This news has come as a complete bombshell to everyone and we are appalled by the timing of this decision just days before Christmas," the local council leader Roy Oldham said last night.

"I am left wondering whether this is a crude bribe by the Government to buy the Ulster Unionists' vote in its desperate attempts to cling on to power. I am struck by the coincidence that the news of this closure comes at the same time as the Government has given £10m to Northern Ireland to help make this switch."

The closure is part of a streamlining drive by Gallaher, which closed its Belfast plant in 1988 and its Port Talbot cigar factory in Wales in 1994.

The firm has also reduced its distribution plants from eight to a single centre in Crewe.

Peter Wilson, chairman of Gallaher, said: "By now reducing from our two UK cigarette factories to one and investing in the latest generation of ultra-high speed cigarette manufacturing machinery, we will achieve significantly lower overhead costs and make an important improvement in production efficiency."

The Manchester factory, which manufactured Benson and Hedges and Silk Cut for the UK market, will take three to four years to close completely. American Brands is taking a fourth-quarter pre-tax charge of approximately \$80m to cover the closure, which will mostly be used to cover redundancy packages.

The firm said the factory in Ulster would have a capacity to make up to 50 billion cigarettes a year.

Buy Now, Pay June Next Year

£999.93 inc. VAT

£851 + VAT

Offer Ends 21st DEC Sales Lines Open Late Until 8pm Mon-Fri

Three Ways to Pay

- Pay With Order**
Pay the whole amount by credit card with your order. Total price £999.93 + £35 delivery + VAT = £1034.93. Total price - Cash price (£185.00) = £849.93. (See 1997) per the net £849.93. Total price - Cash price (£185.00) = £664.93. (See 1997) per the net £664.93. (See 1997) per the net £664.93.
- 6 Months Interest Free Credit**
Pay your £1034.93 (18% interest) over 6 months. After 6 months (June 1997) pay the net £849.93. Total price - Cash price (£185.00) = £664.93. (See 1997) per the net £664.93. (See 1997) per the net £664.93.
- Pay Over 2 1/2 Years**
Pay your £1034.93 (18% interest) over 2 1/2 years. After 2 1/2 years (June 1999) pay the net £849.93. Total price - Cash price (£185.00) = £664.93. (See 1997) per the net £664.93. (See 1997) per the net £664.93.

FREE 500 customers only. DART Approved Pay/Debit/Internet Modem.

TIME 01282 777 111

Small Line Dept. Mon-Fri 9am-5pm. Sat 9am-5pm. Excludes on the 01282 777 111. Website and computer enquiries. See us at Computex 96. Your Computer Systems Ltd. 25, Elmfield House, Stockton Rd, Stockton-on-Tees, Durham, DH12 1JL.

Unbeatable!

- 3 Easy Ways To Pay
- 16MB RAM; 256K Cache
- P150+ Processor
- 1080MB Hard Disk
- Fast 64-bit Graphics & MPEG
- Full CD Multimedia
- Massive Software Bundle
- Quick Personal Finance
- FREE Fax/Internet Modem

System Options

- Windows 3.11
- P150+ Model with 8 speed CD-ROM, 33.33 modem, 5 speed CD burner and large 15" screen. £175.00 inc VAT (del. £185.00)
- Product Code 200-20-220

Other Options

- Lowcost 1080 Colour Super Graphics £175.00 inc VAT (del. £185.00)
- Lowcost 1080 Colour Super Graphics £175.00 inc VAT (del. £185.00)
- Lowcost 1080 Colour Super Graphics £175.00 inc VAT (del. £185.00)

business

Airtours buys up Italian cruise operator for £181m

Tom Stevenson
City Editor

The rise and rise of Airtours continued yesterday after the tour operator, Britain's second largest after Thomson, announced a further move into the booming cruise market with the acquisition of Europe's largest cruise company, Italy's Costa Crociere. Airtours shares jumped 50p to 797.5p on the news, at which level they have more than doubled since the beginning of the year.

The £181m deal, agreed by Costa's controlling shareholders, was struck in joint partnership with Airtours' largest shareholder, Carnival Corporation, the largest US cruise operator. Both companies plan to contribute half the consideration from their own resources.

It is the first time Carnival and Airtours have acted in concert like this since Carnival took a 29.5 per cent stake in the British holiday company and the deal is certain to intensify

speculation that the two will eventually merge. David Crossland, founder and chairman of Airtours, is already on the board of Carnival.

Airtours and Carnival said yesterday they had entered into an agreement with a syndicate of shareholders owning just over 50 per cent of Costa's Milan-traded shares. That syndicate's major shareholder is the Costa family itself, while other members include hotel and leisure group Accor, the Agnelli family which controls Fiat, and supermarket group Carrefour.

Costa, which is based in Genoa, operates 10 ships, primarily in the Mediterranean, where it controls 30 per cent of the cruise market. It is strong in Italy, where it sells 70 per cent of all cruises on the Mediterranean, and in France, where its share is 40 per cent.

In the year to December 1995, it is estimated that about 900,000 cruises were taken in the Mediterranean and northern Europe out of a world-wide

total of 5.4 million. The cruise market in Europe is expected to grow to 1.2 million cruise passengers by the year 2000.

Last year, Costa made profits before tax and extraordinary items of £18.2m from sales of £380m. The company will be run as a stand alone business, headquartered in Genoa, but Airtours expects to supply its cruise ships through its own tour operation and to stock its brochures in its Going Places travel agencies.

The Costa deal follows hot on the heels of bumper full-year figures for Airtours last week for the 12 months to September. Profits rose 46 per cent to £86.8m after a 30 per cent rise in sales to £1.7bn. That compared with profits earlier this week from rival First Choice of £10m from sales of £1bn.

Airtours indicated at the time of its results that it was planning to spend up to £250m on overseas acquisitions to push its profits from outside Britain to 50 per cent of the group total.

NSM shares sink to 8p

Patrick Toohy

NSM saw its already lowly share price fall by a third yesterday after the heavily indebted mining group revealed a huge half-year loss and admitted the future of its deep coal mine in south Wales rested on the successful outcome of crisis talks with bankers. NSM's shares, as high as 80p a year ago, closed 4p lower at 8p.

The news served to highlight the growing difficulties facing Britain's small knot of mining companies. Last week almost £200m was wiped off the stock market value of RJB Mining, Britain's biggest coal producer, after the company's

own broker warned about the impact of cheap overseas imports of coal in the wake of sterling's recent strength.

Earlier this year administrators were called in at Coal Investments, the mining venture headed by Malcolm Edwards, a former British Coal director.

In the year to September NSM racked up losses of £71.9m, all but £500,000 of which relate to a provision on the sale of businesses which have either been completed or are expected to be finalised.

NSM again warned that the sale of its US coal operations, which is being handled by US stockbrokers Paine Webber, would be at a substantial

discount to net asset value.

John Jermaine, the chairman, said several "unforeseen operational difficulties and delays" had significantly affected working capital requirements. "Consequently, the company has been in detailed discussions with its bankers regarding its immediate and long-term funding which have yet to be determined."

Mr Jermaine said trading in the US was "extremely difficult" and blamed two "once in a hundred years" storms in successive years, previously unknown geological problems in the deep mines and low selling prices.

If the talks are successful, NSM's future will largely depend on the pit in south Wales.

Cook defends 'implausible' forecast

Patrick Toohy

The war of words between steel castings group William Cook and its pursuer, Birmingham-based Triplex Lloyd, reached a new level of intensity yesterday as both sides traded accusations and counter-accusations.

The fur started to fly after Triplex Lloyd dismissed William Cook's latest profit forecast as "implausible". William Cook responded by accusing Triplex Lloyd of making "a number of

ill-considered and inaccurate points" and of failing to understand its business.

"Once again Triplex Lloyd is indulging in cheap jibes in an attempt to divert shareholders' attention away from the key issue which is the value of William Cook's business and prospects," claimed Andrew Cook, chairman and chief executive.

William Cook said its forecast of pre-tax profits of not less than £10.7m in the year to March 1997 showed that Triplex

Lloyd's £58m offer was "indicatively low".

Triplex Lloyd is offering 312p in cash and shares, but William Cook reckons it is worth anywhere between 500p-700p on the basis of the new forecast.

Triplex Lloyd asked William Cook's shareholders to question the quality of earnings which William Cook has forecast.

It noted that on 25 October William Cook issued a "downbeat" interim statement in which Mr Cook said William

Cook was seeing a thinning in order books and that he viewed the resulting cut in production with concern.

Six days later a report by UBS, William Cook's own broker, forecast less than 5 per cent growth in pre-tax profits to £8.8m for the year to March, implying no growth in the second half over the previous year.

But Triplex Lloyd said that just eight days after it announced its offer, Mr Cook had already begun to guarantee

continued profit growth in the second half of the current year.

"We do not accept this profit forecast as representing a sustainable level of profitability for William Cook," said Graham Lockyer, Triplex Lloyd's chief executive. "The profit forecast is an implausible short-term reaction to our offer."

Mr Cook said the forecast was struck before the bid defence costs but after refurbishment costs of £2.2m charged to the profit and loss account.

IN BRIEF

• The prospect of cheaper international phone services was raised yesterday after the DTI licensed 44 international phone operators, ending the duopoly over foreign traffic between BT and Mercury. Of 46 companies who applied, 44 were granted licences, including US giant AT&T, Rascal and Energis, the phone company owned by National Grid. Mike Grabiner, Energis chief executive, said the news was a "huge opportunity", raising the prospect of joint ventures to lay further international phone cable capacity. He said new operators would also be able to expand customer services, including overseas private networks for businesses for the first time.

• Dominion Resources, the US utility company which has made a £1.3bn agreed takeover bid for East Midlands Electricity, yesterday bought 15 per cent of shares in the Nottingham-based regional power supplier. Dominion spent £199m on the stake which it bought at the bid price of 670p a share. It also disclosed it had received acceptances so far from investors with 35.3 per cent of East Midlands shares, which means the Virginia company speaks for just over 50 per cent of its bid target. A spokesman denied the share buying was a sign it feared a counter bidder would arrive on the scene. East Midlands shares rose 3p to 664p.

• President Clinton is expected to announce that Janet Yellen, currently a Federal Reserve Governor, will become the new chairman of the Council of Economic Advisers. Subject to Senate confirmation, she will replace Joseph Stiglitz, who is moving to become chief economist at the World Bank. Separately, the White House said yesterday that the President will make the major decisions on the next fiscal year's budget by the end of this week. It is due to be presented to Congress early in February.

• The Bundesbank set a two-year policy target yesterday, extending the usual period for its money supply target in order to map out the way to the introduction of the euro on 1 January 1999. It left all key interest rates unchanged after yesterday's council meeting.

• Zhenhai Refining and Chemical will today become the first equity-related Chinese listing on the London Stock Exchange. The company has raised \$200m (£120m) through a convertible bond issue, which was 10-times oversubscribed.

• BAT Industries has sold Henri Wintermans Cigar company for £55m to Skandinavisk Tobakskompagni, the Dutch group. BAT holds a 32 per cent stake in Skandinavisk.

Company Results

	Turnover £	Pre-tax £	EPS	Dividend
Accrington (p)	17.5m (19.9m)	0.54m (1.3m)	1.5p (2.5p)	0.48p (1.48p)
Acia (p)	3.45m (3.04m)	220m (138m)	6.57p (3.51p)	0.81p (0.72p)
Academy & Heston (p)	282m (294m)	7.7m (7.8m)	14.6p (12.2p)	5.5p (10p)
London Merchant (p)	- (-)	15.1m (25.9m)	3.88p (7.58p)	0.8p (0.8p)
ASDA (p)	60.6m (54.4m)	-75.5m (2.5m)	-123p (3.5p)	nil (-)
Stantec (p)	1.0m (0.8m)	0.02m (-0.10m)	0.023p (-0.014p)	nil (-)
Shaw & Wright (p)	- (-)	0.22m (0.18m)	9.4p (7.85p)	nil (nil)
Wing (p)	10.4m (12.9m)	-2.41m (1.44m)	-4.25p (2.13p)	nil (1.45p)
Worthington (p)	23.1m (14.2m)	10.1m (8.55m)	15.32p (13.85p)	12.2p (-)

(p) - Profit (l) - Loss

Asda trumps the loyalty card pack

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Asda's refusal to get involved in the loyalty card war smacks a little of making virtue out of necessity. But cynicism about its motives aside, Asda is probably right to hold back from the fray. The jury is still out on whether the costs of loyalty cards are outweighed by the benefit of higher sales, but the evidence so far is not compelling.

Asda has always played a different marketing game from its more up-market peers, and it remains the only non-discount grocery chain to sell itself unashamedly on price, but it is currently making more than usual of its Leeds origins. Its price promise now finds itself literally inscribed in York-shire stone outside its superstores - true northern grit.

With the company for the time being still run by the prospective parliamentary candidate for true blue Tynbridge Wells, that may ring somewhat hollow, but the underlying message that what consumers want from a supermarket is good value, good quality and service has a ring of common sense. The tiny discounts offered by loyalty cards have always been a con that underestimated the intelligence of the average shopper.

Asda's continuing ability to outstrip its peers on crucial measures such as return on capital employed and like-for-like sales growth is surprising but pleasantly so. Like-for-like turnover growth of 10.2 per cent in the six months to November remains comfortably ahead of Tesco's 7 per cent and leaves Sainsbury's 2.3 per cent standing. For the first time, Asda's return on capital has risen above the average of its three largest rivals and while its trend is healthy upwards the others are getting a progressively worse return from the assets they employ.

Other battles Asda appears to be winning are for the hearts and minds of clothes shoppers and fresh food buyers, the latter not traditionally its strongest suit. Having taken full control of the George clothing brand, real progress is being made towards the target of becoming the number two family clothes brand behind M&S. Fresh food sales are growing like Topsy with meat, especially, taking off. The rather belated push to achieve 40 per cent of sales from own-brand products also appears to be going according to plan with successful cereal launches among 2,000 new lines taking penetration up to 35 per cent. A similar push is planned for next year.

In all sorts of ways Asda continues to force the pace in the supermarket arena but it remains firmly in the pack as far as stock market ratings goes, on a prospective p/e ratio of 13 on the basis of a consensus forecast of £343m this

year and £378m next time. If you want to be in the sector, Asda is your best way in, but in a cut-throat mature market and with its driving force destined for the Opposition benches, there is better value elsewhere.

Hard Rock lets Rank down

The stock market was right to interpret yesterday's 11-month "trading update" from leisure giant Rank as nothing more than a thinly disguised profits warning. Shares in the bingo-to-butlins group fell 25.5p to 416.5p as investors reacted badly to two worrying developments.

The biggest surprise came at the Hard Rock themed restaurant chain. While just about any old branded concept serving up half-decent beer and grub seems to be coming it, Hard Rock has spectacularly missed out on the bonanza. True, a BSE beef scare closed the Paris branch for 15 days in the autumn, but nevertheless like-for-like sales in the 32 Hard Rock cafes fell 4

per cent - analysts noted that in London turnover rose a sub-inflationary 2 per cent while sales fell in New York. Not surprisingly, Hard Rock has recently expanded its national and local sales forces in the US to beef up the marketing effort.

The other concern is the slipping timetable for the planned £1bn sale of Rank's remaining 20 per cent stake in copier company Rank Xerox. Originally due to take place in the first quarter of 1997, the talk now is of a sale some time before the end of 1998. The sale is seen as a way for Rank to return cash to investors, either in the form of a share buy-back or special dividend, but they should not hold their breath.

Disposals of non-core assets form a key part of the strategic review recently completed by new chief executive Andrew Teare, formerly of English China Clay.

Yesterday saw the Shearings holiday coach business finally sold to its management for £83m. All told, Rank has raised more than £200m during the second half, though borrowings still remain around £1bn after Rank splashed out £123m in October for the Tom Copleigh chain of themed pubs. That deal

raised eyebrows in the City and prompted accusations that Rank, for all its talk of restructuring, was still prepared to pay full prices for cyclical businesses at the top of the economic cycle.

Broker Kleinwort Benson sticks with its bottom-of-the-range forecast of pre-tax, pre-exceptional profits of £294m this year, rising to £345m in 1997. That implies a price/earnings ratio of 17 falling to 15. Unexciting.

Fairey bid shows up Burnfield

Fairey issued its hurried offer document for rival engineer Burnfield yesterday and with it a slew of facts and figures showing what an appalling investment Burnfield has been over the past five years. No one would argue with that - both capital value and dividend income have fallen 40 per cent over that period.

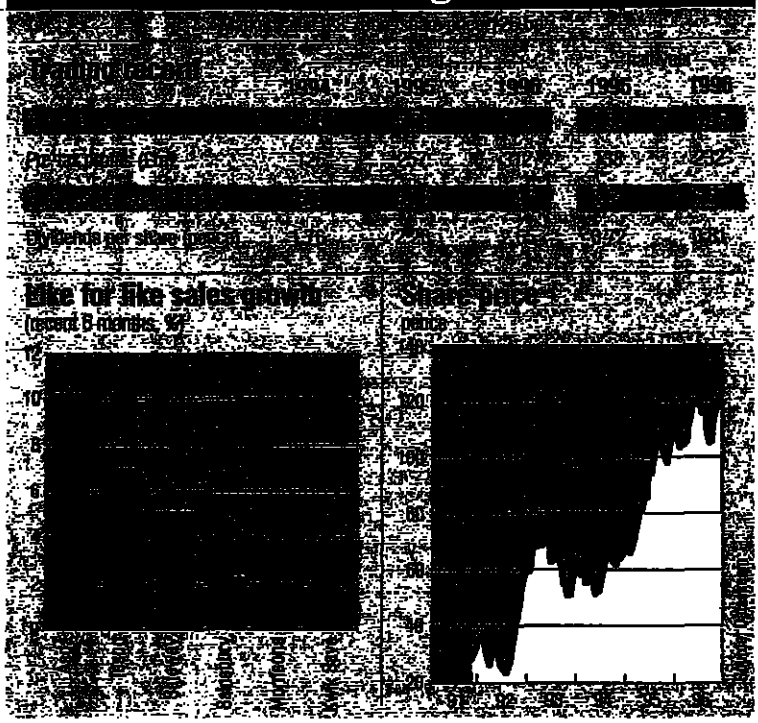
Burnfield rightly countered that Fairey's choice of period was highly selective, as they always are in hostile bid situations, and attempted to put forward its own three-year period, starting at the company's recent low point when it parted company with its previous chief executive. As always, a hostile bid has drowned hapless investors in a torrent of innuendo and half-truth.

The real story is, not surprisingly, a combination of the two sides' arguments, but Fairey wins on points. Burnfield has made some pretty awful acquisitions along the way, resulting in a hefty £12m exceptional charge that will send it £8m into the red this year. It has a poor history of disappointing shareholders with profits warnings and has seen its earnings per share go nowhere in the past five years. After a collapse in its dividend in 1993, the payout has edged upwards but is only a little more than half the 1992 level.

Against that backdrop it is now attempting to sell a £20m seven-for-10 rights issue to shareholders to fund an acquisition into a new area, vibration control equipment. The City reaction to the deal - 10 per cent off the share price to 100p - tells the story.

Normally the best thing to do in a bid like this is to wait for the arguments to unfold. In this case, that is not possible because Fairey says it will only go ahead with the one-for-four share bid if shareholders vote down the proposed acquisition and rights issue on 30 December. So, shareholders have to make a snap decision. Faced with stumping up £630 for every £1,000 of shares they own, the temptation to snatch a decent premium at yesterday's close of 141.5p is enormous. Sell in the market.

Asda: at a glance



Like for like sales

Asda's return on capital

Asda's market share

Asda's profit margin

Asda's customer satisfaction

Asda's employee satisfaction

Asda's environmental record

Asda's social responsibility

Asda's community involvement

Asda's diversity

Asda's innovation

Asda's sustainability

Asda's governance

Asda's risk management

Asda's compliance

Asda's ethics

Asda's transparency

Asda's accountability

Asda's integrity

Asda's honesty

Asda's fairness

Asda's respect

Asda's responsibility

Asda's commitment

Asda's dedication

Asda's passion

Asda's enthusiasm

Asda's energy

Asda's focus

Asda's determination

Asda's perseverance

Asda's resilience

Asda's adaptability

Asda's flexibility

Asda's creativity

Asda's innovation

Asda's sustainability

Asda's governance

Asda's risk management

Asda's compliance

Asda's ethics

Asda's transparency

Asda's accountability

Asda's integrity

Asda's honesty

Asda's fairness

Asda's respect

Asda's responsibility

Asda's commitment

Labour's proposals aren't radical enough for the City

The Sumitomo copper affair, the Barings collapse and the Deutsche Morgan Grenfell unit trust scandal have given a new lease of life to a long-running argument about whether there should be a root and branch reform of financial regulation.

We've been here before, of course, but a curiosity of this latest debate is that some of the most senior figures in the City are proposing much more radical solutions than the Labour Party. The politicians who on the hustings are most inclined to put the boot in have actually taken quite a conciliatory approach to the issue.

The story begins with Labour's proposal that all the regulators governed by the 1986 Financial Services Act should be rolled up into a single institution.

The Securities and Futures Authority, Imro, the fund management regulator, and the Personal Investment Authority, which looks after savings, would be merged into the senior regulator, the Securities and Investments Board. The result would be a single statutory organisation, similar to the US Securities and Exchange Commission, though perhaps with rather more input from practitioners than in the US.

The Government does not like this idea at all, and prefers the status quo. Among the regulators themselves, the SIB is thought to be discreetly supportive of the thrust of the Labour proposals - unsurprisingly, since it would be the winning bureaucracy. However, executives in charge of the junior regulatory bodies such as the SFA, the PIA and Imro think it a rather poor idea.

The SFA and the PIA are canvassing openly for much more radical reorganisation than the Labour Party has proposed, and they have a number of influential City figures cheering them on.

One explanation of the concerns of the junior regulators is, of course, that they may be worried



Peter Rodgers

'To merge banking and securities regulation would have important implications for the Bank of England because it might lose its supervision role'

ried about becoming mere division heads at the SIB under a Labour government. But they do have a convincing point to make about the risks of merging the entire gamut of regulation of personal savings and of the professional markets into a unified body.

Savings regulation is basically consumer protection, to prevent sharks preying on small fish, as they did in the pension transfer scandal.

For the markets the priorities are rather different. Certainly, the sharks need to be kept out of the pool if at all possible. But professional investors and dealers should be better able than savers to look after themselves, so the priorities are fair and open trading and financially healthy and well-run firms.

Regulation should therefore be divided on functional lines

between a consumer protection and a market policing organisation, to reflect these differences of emphasis.

The \$2.6bn losses made by Sumitomo in the copper market and the hundreds of millions Deutsche Bank is pouring into Morgan Grenfell to pay for the losses at its unit trust business illustrate the difference between the two types of regulation. The former was an entirely professional market and the latter a savings business.

However, Barings gives a third dimension to the argument, as the Commons Treasury Committee pointed out this week.

It is hard, in modern markets, to make a clear distinction between banking, which is supervised by the Bank of England, and the securities and investment markets, which are covered by the Financial Services Act.

Banks are deeply involved in securities trading, while the securities industry has been stealing business from banks by persuading their customers to borrow in the markets instead. Indeed, convergence between the two industries has gone so far that this week a group of banks has been discussing setting up a formal market in which they can trade bank loans between themselves - treating them exactly as if they were securities such as bonds.

Taking the ideas canvassed by the SFA and the PIA to their logical conclusion, what is the justification for the continued separation of banking and securities regulation? If a bank or a securities firm gets into trouble, the investigations overlap at every point, making a hard task more difficult.

To merge banking and securities regulation would have important implications for the Bank of England, as the select committee pointed out, because it might lose its banking supervision role to some new body.

The select committee went no further than threatening

the bank with losing the supervision function if it did not improve its performance. The MPs drew back from making this a firm recommendation. Labour, too, has steadily backed away from its earlier investigations of whether to break up the Bank of England.

There are some well-heeled arguments against creating a new independent super-regulator for securities and banking, and they should not be dismissed lightly.

Indeed, the Bank has a much better reputation for its supervision techniques among its overseas peers than it has in the UK, so it cannot be doing everything wrong. Problems such as Barings pale into insignificance compared with the savings and loans collapse in the US, the Japanese and Swedish banking crises and the French debacle over Credit Lyonnais.

The Bank has shown no signs so far of wanting to hand over supervision to anybody else. But some detect a softer line emerging. It is possible to imagine Eddie George, the Governor, launching an examination of the merger of banking and securities regulation, in certain circumstances. He might agree to give up supervision if Britain stays outside the single currency but gives its central bank true independence.

An argument against radical change, put forcefully by Sir Andrew Large, chairman of the SIB, is that no matter how good the alternative system, the years of change will be disruptive and dangerous, so that slow evolution is preferable.

Labour's difficulty is that by embracing a half-way solution, which includes substantial changes but may well not be radical enough to cope with the markets of the 21st century, it will have the worst of both worlds - much disruption for little real benefit.

It would make more sense to do nothing at all until a very good look has been taken at the more radical ideas emerging from the City.

Whitbread chief executive sets his sights on greener pastures

PEOPLE & BUSINESS



Waiting in the wings: Whitbread's David Thomas

Peter Jarvis is stepping down as chief executive of Whitbread after 12 years in the post. This may be no surprise, but at only 55, what is he going to do? "I'm looking forward to playing more golf and getting to know my wife," he said. "I gave up golf 30 years ago when I got married. I'm a member of three clubs so I will probably play at Goodwood near where we live."

He will also spend more time on what he describes as "my big boat" which is moored at Chichester.

Leaving Whitbread after 20 years will be a wrench for Cambridge-educated Mr Jarvis, who joined the brewer in 1976 after 12 years at Unilever. During his tenure as chief executive he signed the franchise agreement for TGI Friday and bought Boddingtons, Bevi Inns and Peter Dinklage, as well as Pelican and Brightons more recently. He has also worked closely with his successor, David Thomas, on two landmark acquisitions last year which saw Whitbread snap up David Lloyd Leisure and 16 Marriot hotels.

Mr Thomas, 52, will take over next summer. He joined Whitbread in 1984 as a regional director in the Inns division. More recently he has run the restaurants and leisure side.

Andrew Cook, top man at metalbasher William Cook, is not known for a lack of self-promotion. So there is one big surprise in his company's corporate video now being circulated in the City as part of the group's defence against the bid from Triplex Lloyd. He doesn't appear in it.

It is always interesting to note which companies try to slip in an annual general meeting or egm in the fallow period between Christmas and New Year. Sometimes there are genuine reasons for this. But on other occasions, the dates

are chosen because the company doesn't really want anyone to come.

Top of the list in this category is Costain, the accident-prone construction company. Costain is selling its US coal business and is holding an egm to approve the sale on 27 December. No doubt the reason is that Costain is keen to avoid too many New Year travellers trudging along to protest about the construction of the Newbury bypass which Costain is building. This follows the group's agm earlier in the year which

degenerated into farce with protesters storming the podium and security men being called in.

Costain denies it is being furtive: "Absolutely not. It's just a matter of procedure." A hard core of protesters will probably turn up anyway.

Burton has jazzed up its annual report by publishing it as a glossy magazine. Chief executive John Hoerner's favourite model, Helena Christiansen, graces the cover. Inside, sections on each of the formats such as Dorothy Perkins and

Principles look like fashion spreads. "We thought, well, we're a fashion retailer. We ought to try something different," says spokeswoman Amanda Bassett.

Bibulous businessmen should make a beeline for South Korea, according to a new guide, "Central Expatiate" by Arthur Andersen. There, visiting executives are expected to take to the streets in a big way after a hard day at the conference table. Unlike the depressing Anglo-American trend towards abstemiousness, the Koreans like to enjoy themselves, and the Andersen guide counsels that at business parties one should be prepared to sing. A refusal often offends.

Apparently, however, it is not mandatory to get as drunk as one's host. Sometimes one is taken to the Korean version of a geisha house, where the women are regarded as "talking furniture" rather than sex objects.

The Japanese have a similar attitude to alcohol and are among the heaviest drinkers in Asia. However, it should be remembered that the Japanese seem to have a greater ability to recover from hangovers and foreign businessmen should be on parade first thing in the morning.

And finally, here are some trend predictions for 1997, courtesy of marketing consultancy New Solutions.

- The trend for all things "clear", "lite" and "pure" will make way for a boom in all things red, even red beers.
- Madonna's new film *Evita* will lead to an outbreak of South American themes, including food and dance crazes.
- Supermarket home delivery will go national.
- The advent of the recordable CD.

You have been warned.

Nigel Cope

Foreign Exchange Rates

Country	Spot	1 month	3 months	D-Mark	Spot	1 month	3 months
US	1.6625	84	36-33	1000	24-23	76-73	0.840
Canada	2.2722	54-49	84-55	13688	24-23	76-73	0.840
Germany	2.3522	54-49	84-55	13688	24-23	76-73	0.840
France	6.5525	27-28	84-55	13688	24-23	76-73	0.840
Italy	2.0000	31-45	103-23	13688	24-23	76-73	0.840
Spain	16.6625	27-28	84-55	13688	24-23	76-73	0.840
Japan	14.7875	21-18	84-55	13688	24-23	76-73	0.840
UK	1.4975	21-18	84-55	13688	24-23	76-73	0.840
Belgium	33.4625	21-18	84-55	13688	24-23	76-73	0.840
Denmark	6.5525	27-28	84-55	13688	24-23	76-73	0.840
Netherlands	2.0000	31-45	103-23	13688	24-23	76-73	0.840
Sweden	14.7875	21-18	84-55	13688	24-23	76-73	0.840
Switzerland	2.0000	31-45	103-23	13688	24-23	76-73	0.840
Australia	2.0000	31-45	103-23	13688	24-23	76-73	0.840
New Zealand	2.0000	31-45	103-23	13688	24-23	76-73	0.840
Saudi Arabia	2.0000	31-45	103-23	13688	24-23	76-73	0.840
Singapore	2.0000	31-45	103-23	13688	24-23	76-73	0.840

Other Spot Rates

Country	Spot	Dollar	Country	Spot	Dollar
Argentina	1.6625	0.8988	Nigeria	1.6625	78.8000
Austria	1.6625	0.8988	Pakistan	1.6625	0.0500
Brazil	1.6625	0.8988	Philippines	1.6625	0.0500
China	1.6625	0.8988	Portugal	1.6625	0.0500
France	1.6625	0.8988	Romania	1.6625	0.0500
Germany	1.6625	0.8988	Russia	1.6625	0.0500
India	1.6625	0.8988	South Africa	1.6625	0.0500
Italy	1.6625	0.8988	Taiwan	1.6625	0.0500
Japan	1.6625	0.8988	UK	1.6625	0.0500

Forward rates quoted high to low are at a discount; subtract from spot rate. Dollar rates quoted as premiums; add to spot rate. For the latest foreign exchange rates call 0801 123 3033. Cdn spot 50p per minute (day rate) 45p other times.

Interest Rates

UK	600%	Germany	2.50%	US	Prime	5.75%	Japan	Discount	0.50%
France	3.50%	Canada	4.50%	Fed Funds	5.00%	Central	3.00%		
Italy	7.50%	Netherlands	4.75%	10-Day Repo	5.25%	Switzerland	3.00%		
Spain	7.50%	Denmark	5.00%	Sweden	5.00%	Discount	1.00%		
Belgium	2.50%	Discount	3.25%	Repo (Avg)	4.00%	London	4.25%		

Bond Yields

Country	5yr yield %	10yr yield %	Country	5yr yield %	10yr yield %
UK	7.1%	7.7%	Netherlands	6.4%	6.7%
US	5.5%	6.5%	Spain	6.0%	6.0%
France	5.1%	5.1%	Italy	8.2%	8.2%
Australia	5.1%	5.1%	Belgium	5.1%	5.1%
Germany	5.1%	5.1%	Sweden	5.1%	5.1%
Japan	5.1%	5.1%	ECU	5.1%	5.1%

Money Market Rates

Overnight	7 Day	1 Month	3 Months	6 Months	1 Year
Interbank	5.4%	5.4%	5.4%	5.4%	5.4%
Local Authority	5.4%	5.4%	5.4%	5.4%	5.4%
Discount Market	5.4%	5.4%	5.4%	5.4%	5.4%
Repo (Avg)	5.4%	5.4%	5.4%	5.4%	5.4%
ECU	5.4%	5.4%	5.4%	5.4%	5.4%

Tourist Rates

C Buys	£ Buys	£ Buys	£ Buys
Australia (Dollars)	2.0000	France (Francs)	6.4725
Austria (Schillings)	13.7603	Germany (Marks)	2.4566
Belgium (Francs)	20.3369	Greece (Drachmas)	340.7500
Canada (Dollars)	0.7500	Hong Kong (Dollars)	1.0000
Cyprus (Pounds)	0.7500	India (Rupees)	47.5490
Denmark (Krone)	6.4656	Indonesia (Rupiah)	1.7364
Holland (Guilder)	2.2037	Italy (Lira)	2.0000
France (Francs)	6.4725	Japan (Yen)	100.0000
Germany (Marks)	2.4566	Malaysia (Ringgit)	2.3363
Holland (Guilder)	2.2037	New Zealand (Dollars)	2.0000
France (Francs)	6.4725	Norway (Krone)	4.7560
Germany (Marks)	2.4566	Portugal (Escudos)	200.4824
Holland (Guilder)	2.2037	Spain (Pesetas)	166.6371
France (Francs)	6.4725	Sweden (Krone)	4.6656
Germany (Marks)	2.4566	Switzerland (Francs)	2.0000
Holland (Guilder)	2.2037	Taiwan (New Dollars)	2.0000
France (Francs)	6.4725	UK (Pounds)	1.0000
Germany (Marks)	2.4566	USA (Dollars)	1.0000

Life Financial Futures

Contract	Settlement	High/Low	Est/Cont	Open
Long GB	10-27	10-27	10-27	10-27
Short GB	10-27	10-27	10-27	10-27
Long US	10-27	10-27	10-27	10-27
Short US	10-27	10-27	10-27	10-27
Long JPY	10-27	10-27	10-27	10-27
Short JPY	10-27	10-27	10-27	10-27
Long AUD	10-27	10-27	10-27	10-27
Short AUD	10-27	10-27	10-27	10-27
Long NZD	10-27	10-27	10-27	10-27
Short NZD	10-27	10-27	10-27	10-27

Life FTSE Index Option

Series	Settlement	High/Low	Est/Cont	Open
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27

Energy

Contract	Settlement	High/Low	Est/Cont	Open
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27

Commodity Indices

Index	Settlement	High/Low	Est/Cont	Open
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27

Industrial Metals

Contract	Settlement	High/Low	Est/Cont	Open
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27

Precious Metals

Contract	Settlement	High/Low	Est/Cont	Open
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27

Agricultural

Contract	Settlement	High/Low	Est/Cont	Open
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27

Other Softs

Contract	Settlement	High/Low	Est/Cont	Open
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27
Long	10-27	10-27	10-27	10-27
Short	10-27	10-27	10-27	10-27

Our in-depth information helps you look closer at the financial world

For details of FT Information's market leading range of services, call Alan Parmenter on +44 171 825 8704 or email: info@ft.com

FINSTAT - instant PC access to Financial Times Statistical data.

For further information, call Leanne Gilliar at FT Information on +44 171-825-8430 or email: leanne.gilliar@ft.com

FINANCIAL TIMES

Information

FINANCIAL TIMES

Information

FINANCIAL TIMES

Information

FINANCIAL TIMES

Information

FINANCIAL TIMES

sport

Found wanting for a touch of fortune

Phil Shaw looks at Frank Clark's forlorn attempt to live with the legacy of Brian Clough as Nottingham Forest's manager

Barely a month has passed since Frank Clark was telling people that Nottingham Forest needed a few wins before the takeover of the club was completed. Otherwise, he added with a wry smile, someone else would be spending the money put up by the successful consortium.

Clark's resignation, after he apparently failed to secure assurances about his future as manager, demonstrates once again that many a true word is spoken in jest. Yet although he leaves Forest propping up the Premiership and without a win since the season's opening day, any rounded assessment of his three and a half year tenure at the City Ground should not judge him too harshly.

For it was Clark who, while hardly the people's choice to succeed Brian Clough, immediately restored Forest to the top flight. More than that, he led them to third place in the Premiership the next season. Then, after other English clubs had fallen by the wayside, they reached the last eight of the UEFA Cup less than a year ago.

Strange as it may seem in the light of yesterday's developments, Clark was being seriously considered at that time by the Football Association as a successor to Terry Venables as manager of England. Stuart Pearce publicly announced that Clark ought to stay at Forest for

the rest of his career. The board, ironically, reacted by pledging to keep him well into the next century.

They had surprised many people, not least Clark, by plucking him from his pin-striped desk job as managing director of Leyton Orient. The too-good-to-go-down Forest team had just been relegated. Clough had retired, and two of their prime assets, Roy Keane

Frank Clark fact-file
 9 May 1943: Born Highgate, Co. Dublin.
 1962: First Cup winner with Newcastle.
 May 1970: Joined Forest after 265 League appearances for Newcastle.
 1978: League Championship medal.
 1979: European Cup winners' medal.
 July 1979: Standardised assistant manager.
 August 1982: Forest assistant manager.
 October 1983: Overtaken as manager.
 May 1985: Orient manager.
 1986: Promotion to old Third Division.
 1988: Manager of the year when Forest after Brian Clough's death.
 1989: Forest return to Premiership.
 1990: Fifth place and set Premier League record of 25 unbeaten matches.
 18 Dec 1996: Resigns as manager.

and Nigel Clough, were intent on leaving.

Clark used the revenue from their transfers to fund the signings of a raw young striker from Southampton and an unsung centre-back from Millwall, Stan Collymore and Colin Cooper not only helped Forest back up but went on to represent England alongside Pearce, whom the new incumbent had persuaded to stick with the club.

Two other transactions, bringing David Phillips and Lars Bohinen to the East Midlands, seemed to confirm Clark as a shrewd manipulator of the market. The impression was cemented by the initial success of Bryan Roy but, like the Dutchman's impact, Clark's touch deserted him.

As the Nottingham Evening Post put it in an unsigned editorial yesterday: "If a manager lives and dies by his results and by his dealings in the transfer market, then Frank Clark's departure from the City Ground is overdue... A manager can only be allowed so many mistakes when it comes to buying and selling. His decision to resign might be viewed as the right one."

Clark's predecessor used to mock his own knack of buying strikers who could not score. As Peter Ward, Justin Fashanu and Ian Wallace were to the Clough era, so Roy, Andrea Silenzi, Kevin Campbell and Dean Saunders came to symbolise Clark's increasingly patchy record.

The Post pointed out that, in financial terms, Campbell's 11 goals had so far cost Forest £227,000 each; Silenzi's two set them back £900,000 apiece; and the Croatian defender Nikola Jerkan has also failed to make an impact, prompting the paper to call Clark's judgment "remarkably flawed."



End game: Frank Clark directs Forest's play for what proved to be the last time in Tuesday's defeat at Liverpool

Photograph: Phil Cole/Alisport

With hindsight, however, the key moment in Clark's reign was the sale of Collymore to Liverpool. The player felt he had outgrown the club and was not popular in the dressing-room. Yet, without his goals, Forest could not operate their counter-attacking system to the same effect. Even their limited success in Europe was achieved largely

through backs-to-the-wall defence. Clark's cause was not helped, either, by a serious injury to Steve Stone, another who progressed to international status under his wing, or by Pearce's evident staleness after the extensions of £200,000. Like Jason Lee's ridiculous hairstyle, Forest's fortunes went pineapple shaped. From being

the team who established the Premiership's longest unbeaten run (25 games), they now hold the record for matches without a win (16).

To his credit, Clark never used the impasse over the buy-out of Forest as an excuse for their failings on the pitch, though it clearly tied his hands in terms of bringing in fresh

faces and had an unsettling effect on confidence. In what proved to be his final match, Tuesday's 4-2 defeat at Liverpool, Collymore twisted the knife by scoring twice. Afterwards, Clark likened his own and the club's situation to being in limbo.

Perhaps, though, they are merely fulfilling their role in the

scheme of things prior to Clough's unprecedented and unrepeatable success: that of the modestly resourced provincial club destined to fit between the top two divisions. Unless the new owners are extremely judicious, or lucky in their choice of successor, Clark's sojourn at Forest may come to be seen as the last of the good times.

£250,000 award for foul that ruined career

The former Stockport player Brian McCord was yesterday awarded an estimated £250,000 damages by a High Court judge for a tackle which broke his leg and ended his career.

It is the first time a judge has awarded compensation to a professional player for injuries received during a game – a move which is likely to cause a major impact on all sport.

Mr Justice Ian Kennedy found that the then Swansea City captain, John Cornforth, had made an error when he challenged McCord for the ball during Swansea's game against Stockport in March, 1993.

The "horrible injuries" to McCord's right leg ruled him out of the game and he is now study-

ing to become a physiotherapist. "I am delighted with the judgment," McCord said. "I have been on income support since the accident and I was 100 per cent sure taking this action was the right thing to do."

McCord's solicitor, John England, said the judgment was a landmark because there was no system for players to obtain compensation for injuries received during games. He said: "It is a very important judgment which will have great ramifications throughout all professional sports. I believe it is time for the sporting bodies to devise some system of compensation without redress to the courts."

The judge said much had been made of the severity of the

injury but it did not help decide whether there had been negligence. He said he had adopted the stance that an "ordinary, reasonable" spectator would take as to whether the tackle was negligent or reckless – or whether there had been an error of judgment or lapse of skill.

Walter Williams, a South Wales policeman who was the match assessor producing a report on the abilities of the linesmen and referee, told the judge in his view the tackle was among the worst three he had ever seen. He said Cornforth's right foot was two feet above the ball.

Bobby Gould, the Wales manager who was in the director's box with Williams, said in his opinion Cornforth intended to strike the player not the ball. "It was one of the worst tackles I have ever seen," Gould said.

The judge said he had listened to the evidence of Gould and Williams, and to the evidence of a Cornforth that the tackle did carry a risk of serious injury if there was any misjudgment of the timing.

He said he could understand the many witnesses who said Cornforth was playing the man and not the ball but "that was not my conclusion", particularly having heard about his good reputation. However, the judge ruled that the tackle was "inconsistent" with taking reasonable care and it was one occasion when his skill "deserted him".

Clubs back restructuring

Peace broke out yesterday as lower division clubs backed plans for the restructuring of the Football League.

Representatives of 69 of the 72 Nationwide League clubs met for an extraordinary general meeting in central London to discuss the new set-up. Some Second and Third Division clubs had been concerned over the power that some larger First Division clubs might wield.

However, when the measures, which will see the present six-man board of directors replaced by an independently chaired

nine-man body, were put to a vote, it is understood that dissent was confined to single figures.

The Government have urged the Premier League to give financial support to lower division clubs so that they can meet the 1999 deadline for ground safety improvements.

Iain Sproul, the Sports Minister, yesterday reaffirmed the Government's commitment to deliver the Taylor Report recommendations on the 1989 Hillsborough disaster in three years' time as another report detailed the Football Trust's cash crisis.

Argentina

All is not well in Argentina, where the national team are singularly failing to dominate South America's World Cup qualifying group – despite the absence of their great rivals Brazil, who as holders are not required to qualify.

Their fallen, former captain, Diego Maradona, says Argentina will fail to qualify for the World Cup after their dismal 1-1 draw at home to Chile last Sunday – the second time they have failed to win at home. Argentina were bottom of their qualifying group after the World Cup, Maradona said on Monday. "Daniel Passarella [the coach] talks about guts and determination – but the team did not produce one single, well-trained move," he said.

Maradona also hit out at Passarella's hard-line approach to discipline, which has included much-publicised bans on players having long hair and wearing earrings. Sunday's draw left Argentina fifth in the nine-team South American group, from which the top four qualify for France 98. Colombia, Paraguay, Ecuador and Uruguay currently fill the qualifying positions.

Albania

A key figure in Argentina's glory days, Mario Kempes, has become the first foreign coach in Albanian football history. The man whose goals helped his country to World Cup glory in 1978 is the new coach of the Albanian First Division club, Lusitania.

Kempes has agreed to a

around the world

Two-year contract with the club worth about £180,000, which has yet to be signed. The Argentine monthly wage is about £200.

Passarella said that about 10,000 fans were seen at a few television reports about this country. Lusitania are in a lowly 10th place in the league, despite signing three foreign players earlier in the year – two Brazilians and a Nigerian.

Saudi Arabia

Saudi Arabia have reached the final of the Asian Cup – they play the host nation, the United Arab Emirates, in Abu Dhabi tomorrow – despite the absence of the man who put his country on the world football map at USA 94.

Saudi preparations for the tournament were rocked when their top forward Saad Al-Owaini – who scored a superb individual goal against Belgium at the 1994 World Cup – and two other players were suspended by the national football association. The trio were said to have been found at a party drinking and mixing with women. Both indulgences are banned in Saudi Arabia under the Islamic sharia law.

Spain

Despite their team's fine form this season, it seems that not all Barcelona fans are enamoured with their distinguished English coach, Bobby Robson. Club employees have had to wash over graffiti aimed at Robson and the club based on the walls of the Nou Camp stadium.

"Robson go home," read a comment written in English. The former England manager was also advised to retire to an old people's home, and was compared unfavourably to Barcelona rock-famous albino gorilla, "Snowflake".

"More Catalans said less trash," said another piece of the graffiti. The arrival of numerous foreigners at Barcelona has led to the exclusion of local players such as Albert Ferrer, who has been approached by Real Madrid.

Rupert Metcalf

charge at Guseley and Bradford Park Avenue, succeed Alan Tinsley at Lancaster City. In the Isthmian League, Fred Callaghan, once in charge at Brentford, has taken over in a caretaker capacity at Carshalton Athletic in place of Tony Jennings, the former England semi-professional team manager. Brian Sparrow's second spell as manager of the Dr Martens club Crawley Town lasted just 13 days – the former Crystal Palace defender missed two training sessions and was unable to travel to a fixture at Merthyr Tydfil during his brief spell in charge.

For the last five years, the hardy band of non-League followers known as groundhoppers have descended on the north-east of England every Easter for the "Northern Hop", watching three or four games per day over the holiday period. That event has come to an end – they have run out of new grounds – but the groundhoppers can now head west instead.

The Westward Development Devon League are putting on an "Easter Hop" every year for the rest of the decade, with fixtures on 28 and 29 March next year at Alphington. Newton Abbot Spurs, Teignmouth, Buckfastleigh, Budleigh Salterton, Newton St Cyres and Willand. Further details from the Devon League secretary, Phil Hiscox: 01392 493995.

Harriers set to pull the crowds

Non-League notebook
RUPERT METCALF

Although police restrictions and the oddities of the fixture computer mean that Christmas holiday derbies are out of fashion in the Football League, that is not the case in the non-League world, where some big crowds and highly-charged matches are guaranteed during the next few days.

Kidderminster Harriers, 11 points clear at the top of the GM Vauxhall Conference, may well be watched by two attendances of over 3,000 in their next two games, at Rushden & Diamonds tomorrow and in the Worcestershire derby at home to Bromsgrove Rovers on Boxing Day. Rushden will also be attracting the fans in large numbers on Thursday, when they travel to their Northamptonshire rivals Kettering Town.

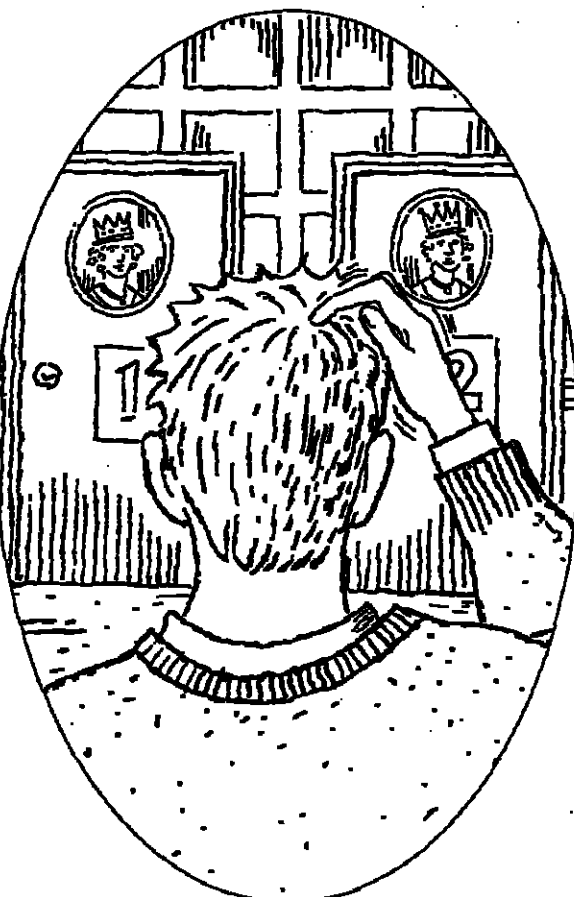
Boxing Day derbies in the Dr Martens League include the leaders, Guseley Rovers, making the short trip to Burton Albion, and Cheltenham Town playing at Gloucester City.

The UniBond League leaders, Leek Town, are under new management, having promoted Peter Ward from assistant manager following Phil Wilson's departure to Northwich Victoria. Another UniBond managerial appointment sees Gordon Raynor, formerly in

Ruddles County Riddles.

No. 13. Pub Challenge.

For Peter Barasworthy it	of the doors, lay the prize,	was instructed to lie, but
was a dream come true. He had	a voucher for unlimited	Peter did not know which.
won the 1996 Hertfordshire	access to the love of his life.	Peter stepped forward,
Pub Quiz Championship after	Ruddles County.	asked one of the men a
six gruelling rounds.	The challenge was set.	question, and upon hearing
But his victory was by	He did not know behind	his answer confidently
no means final. He had yet	which door (they were	strode through door 1 to
to claim the prize.	marked 1 and 2) lay which	claim his voucher.
He was placed in the	prize. Beside each door	Peter is of course too
bar of the Queen's Head Pub	stood a barman to help him	busy to tell us how he
in Westcott. There were	decide which door to choose.	worked out which door to
two doors, each leading to	However, the catch was	choose. Do you know how
different rooms. Behind one	that one of the barmen had	he worked it out?



Cotton to select extra Lions

Rugby Union

Fran Cotton, the Lions manager, intends taking a massive squad of 35 players on next year's tour of South Africa, five more than the traditional touring party.

Despite a 13-match programme, Cotton wants extra back-up on the spot in specialist positions rather than flying players out in injury emergencies. "It is essential we are able to field sides of Test-match strength throughout the tour," said Cotton, who has just returned from

a 10-day fact-finding trip to South Africa. "Our intention is to match the World Cup holders in every facet of the game."

Another break with tradition is that the squad will be named at the end of March, rather than on the mid-March weekend when the Five Nations ends.

Phil de Glanville is set to return after a thigh injury ruled him out of last Saturday's England match against Argentina. He has been named in the Bath side for the start of their defence of the Pilkington Cup against London Irish at the Recreation Ground tomorrow.

De Glanville's England colleague, stand-off Mike Catt, misses the match. He has chest and shoulder injuries and expects to be sidelined for three weeks. Richard Butler comes in.

Referees are still talking with senior officials of the Welsh Rugby Union in a last-ditch attempt to avert a boycott of fixtures this weekend.

Some leading matches look likely to go ahead, despite the strike by the Welsh Society of Rugby Union Referees over pay, but the programme still faces domination with the dispute far from being resolved.

Tibbs dismayed in heavy seas

Sailing

STUART ALEXANDER

A new mast and rigging was being shipped to New Zealand last night after a yacht in the amateur-crewed BT Challenge was dismayed on the second leg of the round the world race.

Chris Tibbs' Concord saw the 85-foot mast break above the first "spreaders", the cross trees through which the wire rigging runs to hold up the mast. None of the 14 crew was injured, and with 20 feet of the mast re-

maining it should be possible for the crew to fix a jury rig and set some sail.

The yacht is 1500 miles south and east of the Chatham Islands, and 420 miles from its destination, Wellington, where it should arrive by 31 December. It has taken on 120 gallons of diesel from competitor Motorola and plans to take on more fuel from Time & Tide today.

Tibbs cut away the top section to prevent it doing any further damage, and saved the middle section and the sails. The accident occurred in near gale-

force winds and heavy seas, and the fact that the yacht was on starboard tack may have accelerated the fatigue.

All the other yachts have been checking for similar problems, and third-placed Simon Walker (Toshiba) has found some damage. In addition, 3Com has had to refit its foremast since it failed. Global Teamwork is doing the same and has backstay deterioration and a broken strand in the lower starboard shroud. Last night, Heath Insured also reported a broken foremast.

011 201526

